


MEMORANDUM

TO: County Council

FROM:  Michael Faden, Senior Legislative Attorney¹
Glenn Orlin, Deputy Council Staff Director

SUBJECT: **Worksession/Action:** Bill 14-04, Taxicabs – Amendments

Transportation and Environment Committee recommendation: enact comprehensive redraft.

Bill 14-04, Taxicabs – Amendments, sponsored by the Council President at the request of the County Executive, was introduced on May 11, 2004. See Executive memo and press release on ©56-59. The public hearing was held on June 17. Transportation and Environment Committee worksessions were held on June 24, July 22, July 28, September 30, October 5, November 1, and November 8.

Taxicab license data DPWT's Division of Transit Services furnished the current numbers of taxi licenses (Passenger Vehicle Licenses) and who holds them:

Company	Licenses held	Affiliates	Total # PVL's
Action Taxi	30	9	39
Barwood	360	74	434
Montgomery Taxi	7	7	14
Regency	73	17	90
Individuals grandfathered (All County Cab, Chevy Chase Cab)	2		2
Revoked			1
Totals	472	107	580

These are the maximum number of PVL's allowed under the current law.

Stakeholders During the worksession process, in addition to Executive branch staff (from the Division of Transit Services in the Department of Public Works and Transportation,

¹Council legal intern Amanda White immersed herself in the taxicab law and business and contributed invaluable assistance for this memo and the entire Committee process.

the Division of Consumer Affairs in the Department of Housing and Community Affairs, and the Office of the County Attorney), representatives of several interest groups actively presented divergent views: the Coalition for a Competitive Taxicab Industry (CCTI), composed of the 3 largest taxi companies licensed in the County; Cabdrivers Allied for Better Service (CABS), composed of active cabdrivers and non-driver owners; and Action in Montgomery (AIM), a civic organization interested in improving taxi service. In addition the Committee retained the services of, and received insightful analysis and advice from, New York City taxi consultant Bruce Schaller, who had previously studied the County taxi system for the Executive branch.

Committee redraft The Committee redraft is shown on ©1-54.² To save space, we did not reprint current County Code Chapter 53, which this draft would entirely replace (as did the introduced bill). The line numbers in this draft begin at line 1040 because the existing law occupies lines 1-1039. Unlike normal Council bills, this draft does not indicate deletions from the introduced bill because the Committee completely reorganized the bill and showing all changes would have made it unreadable. The remaining text in this redraft either came from the introduced bill (single underlines) or was added by the Committee (double underlines). Council staff can trace the history of any particular provision if a Councilmember would like to review it.

Issues and proposed amendments regarding the Committee redraft from the Executive branch (see ©60-62) and CCTI (see ©63-66) (for slightly less recent comments from CABS see ©67-69) will be discussed below.

Major Issues and Committee Amendments

This memo will outline the major issues presented by this bill and the major amendments to the current taxi licensing law and the Executive's bill that the Committee recommended.

Types of licenses Bill 14-04, as introduced, required the County to issue 4 types of taxi licenses: driver identification cards, passenger vehicle licenses, individual vehicle permits, and fleet certificates. The Committee retained the current passenger vehicle licenses and driver identification cards, but deleted the proposed vehicle permits and fleet certificates because the Committee concluded they added unnecessary layers of regulation.

Number and timing of new taxi licenses The Committee significantly rewrote the introduced bill's rules for issuing new taxi licenses (PVL's). See §53-205 on ©11-13. **The Committee redraft limits the number to 70 new licenses in 2005 and allows the DPWT Director to issue an additional 10% of the licenses then in effect every second year thereafter.** The Committee tried to strike a balance between expanding the number of taxis to serve current and future demand (and at least potentially letting new companies enter the County market as well as letting existing companies expand) without flooding the market.

The bill as introduced had authorized the County to issue new taxi licenses at any time, with the only limit being a population cap of 1 license per 1000 County residents (as computed

²The attached November 12 draft differs from the previously circulated November 10 draft only by correcting the title of the Chief of the Division of Consumer Affairs on lines 1145-6.

in the most recent U.S. census update), or roughly 950 licenses at the current County population. CCTI would have raised this ratio to 1 per 1250 residents, which is closer to the current ratio (1:1490 in 2000), but the Committee declined to do so. Under the annual and biennial limits the Committee adopted, the maximum number of licenses in force (none of which approach the population cap) would be:

Year	Maximum Number of PVL's
2005	650
2007	725
2009	798
2011	878

The Committee included an override provision which would let the County issue more licenses, within the overall population cap, after holding a public hearing, if more taxis are needed to improve service to specific populations or geographic areas or to increase competition. See ©12, lines 1354-1362. The Committee intended this “extraordinary authority” to be used sparingly, if at all.

The Committee also inserted a “dominant player” limit, under which any company that holds 40% or more of the total number of taxi licenses cannot receive more than 10 new licenses in any 2-year period and other companies cannot transfer any licenses to that company.

The Committee retained provisions in the Executive’s bill that allow taxi companies based outside the County to compete on a level playing field for new licenses. The criteria to be used in deciding whether to issue more licenses are public convenience and necessity, promotion of competition, and applicants’ performance and customer service records.

The Committee set aside 20% of newly issued licenses for individual taxi drivers with at least 3 years’ driving experience and superior driving records (see ©12, lines 1337-1349). In the case of ties (more than one driver with the same number of years of experience), the licenses would be awarded by lottery.

Cost of new licenses The Committee redraft also contains criteria to use in setting the initial license fee (see §53-206 on ©13). The Committee rejected both an auction approach, used in New York City and elsewhere, under which new licenses go to the highest bidder, and the County’s previous practice of charging only a nominal fee, creating a windfall for the recipient. Instead, the Committee expects the Executive to propose by regulation a fee structure that reflects the need to promote competition and better customer service as well as the value of the license to the holder. **CCTI Issue:** CCTI (see ©65) would delete the reference to the value of the license to the holder because they believe that implies a non-uniform fee

License Transferability Bill 14-04, as introduced, specifically stated that a passenger vehicle license was not a compensable property interest and strictly prohibited the transfer of those licenses. The Committee redraft deletes references to property interests and allows licenses to be transferred, or used as security for loans, within certain limits. Fleets can transfer licenses to individual owners only if individuals then would not hold more than 30% of the total

number of licenses. The purpose of this restriction, recommended at a somewhat lower level by Mr. Schaller, is to avoid fragmenting the taxi system, as it is in the District of Columbia, resulting in poorer performance on dispatch calls.

Customer Service Requirements The Committee streamlined and generally strengthened the customer service requirements which were the heart of the Executive bill. See §53-110 on ©6-8; §53-222 on ©26-28. The bill measures responses to service calls using time thresholds of 10 (rather than the original 5) minutes for pre-arranged service and 20 minutes for calls for immediate service. The bill defines “pre-arranged service” as any service requested by phone or email more than 2 hours in advance. The Executive by regulation will set the *minimum percentage* of calls that each fleet and association must pick up within these thresholds, and *percentage goals* that the Committee expects to be based on experience in similar jurisdictions. These will function as floor and goal benchmarks as part of each company’s annual customer service plan. The floor and goal percentages will either apply countywide or vary by defined geographic areas. Potential sanctions for failing to meet the minimum requirements include the loss of current licenses and denial of new licenses. **CCTI Issue:** CCTI would delete the 20-minute immediate service standard from the law and have that standard be set by regulation.

The Executive branch will issue an annual report to the public showing each company’s performance on this and other benchmarks in that company’s customer service plan. In the supplemental appropriation that accompanies this bill, the Committee recommended funds to set up a “mystery rider” program, proposed by CCTI, as another tool to evaluate service quality.

The Committee inserted two specific customer service standards: fleets must develop procedures to keep customers informed of the status of their trip requests, and the Executive in the regulations must decide whether fleets must adopt special procedures for passengers with special medical needs and non-emergency trips to and from medical facilities. See ©7, lines 1215-1221. These provisions are intended to alleviate many of the most serious complaints about current service that the County has received.³ **CCTI Issue:** CCTI (see ©64) believes that any specific kind of trip should not be given priority; rather, the customer service standards should consider medical service trips along with other recurring service problems.

Enforcement of customer service standards The Committee redraft adds language to the introduced bill to emphasize that a driver’s status as an independent contractor will not shield a company from its obligation to achieve applicable customer service standards and other legal requirements. See §53-219 on ©22-24. The redraft prohibits a taxi lease from containing anti-competition clauses, and includes other items that contracts must contain, such as information-sharing requirements between licensees and drivers.

The Committee bill also requires taxi companies to set up systems to mediate complaints from passengers and disputes with their own drivers (see ©7, lines 1212-1214 and ©23-24, lines 1649-1666). **Issues:** Executive staff (see ©61) would clarify the driver mediation language

³See the list of 32 complaints filed with the County during the past year regarding trips to or from medical destinations on ©70-72, which DPWT staff provided on request of Council staff. Not all these complaints were verified or resulted in sanctions, but in our view they represent the type of situations that are frequently presented and involve more than the passengers’ convenience.

without major substantive change, and CCTI (see ©64) would delete the mediator's authority to delay any action taken by either party.

Sharing resources The introduced bill prohibited any fleet from sharing any resources, including dispatch systems. The Committee redraft allows pooling of resources among taxi companies if the Director finds that the pooling would promote competition and customer service and would not impair the independence of any fleet or association.

Temporary Driver's ID Cards The introduced bill allowed the County to issue temporary drivers' identification cards before the driver passed either the County driver's exam or a criminal background check. In fact, the Committee found, about half of the taxi drivers now on the road received only a temporary ID card. The Committee significantly tightened this provision (see §53-306(c) on ©38-39, lines 2044-2075). While the County could still issue temporary identification cards, under the redraft an applicant must verify identity, undergo at least one state criminal background check, and pass the taxicab examination. In addition, after March 1, 2006, each applicant must pass the national criminal background check, which is the requirement for a permanent ID card; in other words, on that date temporary ID cards will be phased out. The Committee encouraged ongoing collaborative efforts between CCTI and County staff to find ways to reduce the time for these background checks to be processed. **Issues:** Executive staff (see ©61-62) would clarify that an applicant for a temporary ID must first provide the required medical certificate and submit recent driving records, both of which are now required. CCTI (see ©66) would postpone for 1 year the requirement to pass the driver's exam.

Other amendments

The Committee retained the taxi regulatory function in DPWT, as the Executive recommended. Councilmember Perez preferred to assign it to the Division of Consumer Affairs in DHCA, as Council staff had recommended.

The Committee changed the implementing regulations from method (3) to method (2) to allow greater Council oversight.

The Executive's bill raised the fine for violations of the taxi law from class B (maximum civil fines \$100 for first offense and \$150 for later offenses) to class A (maximum civil fines \$500 for first offense and \$750 for later offenses). The Committee accepted this change but directed the Executive branch to adopt by regulation a schedule of fines, up to these maximum amounts, as part of a broader "menu of sanctions" for violations of the law. See ©48, lines 2330-2335.

The Committee redraft specifies exactly how old a cab must be and how to calculate its age. The Committee redraft requires each fleet to provide a direct telephone line that law enforcement agencies can use to verify trip records. The bill as introduced appeared to prohibit non-driver owners from obtaining passenger vehicle licenses. The Committee redraft expressly allows non-driver owners to obtain licenses as one way to promote competition.

ARTICLE 1. GENERAL PROVISIONS

53-101. Definitions.

In this Chapter, unless the context indicates otherwise:

Accessible taxicab means a taxicab that the Department has authorized to transport passengers with disabilities.

Association means 5 or more individual licensees who join together to form a business entity to provide taxicab service.

Committee means the Taxicab Services Advisory Committee.

Department means the Department of Public Works and Transportation.

Director means the Director of the Department or the Director's designee.

Driver means an individual authorized to operate a taxicab under this Chapter and issued a Taxicab Driver Identification Card.

Entity means a legally formed business organization in good standing, including any form of corporation or partnership.

Fleet means any entity that holds in its own name 5 or more licenses.

In service means the operation of a taxicab on any roadway in the County when the driver is not displaying an approved out of service sign or notice.

License or Taxicab License means a Passenger Vehicle License issued under this Chapter.

Licensee means an individual or fleet to whom the Director has issued a license.

Out of service means a taxicab that:

- (1) displays a Department approved out of service sign or notice while being operated; or
- (2) is removed from revenue service and parked.

Owner means an individual or entity that:

- (1) is listed with the state motor vehicle agency as holding legal title

1067 to a specific motor vehicle;

1068 (2) is a conditional vendee or lessee of a vehicle that is the subject of
1069 an agreement for conditional sale or lease, if the conditional
1070 vendee or lessee has assumed liability, and is authorized to pay
1071 judgments and accept any legal notice or service of process, with
1072 respect to the vehicle; or

1073 (3) acts as the agent of the registered owner for all purposes,
1074 including acceptance of liability, payment of judgments and other
1075 legal obligations, and receipt of any legal notice or service of
1076 process.

1077 Passenger means a person who engages a taxicab for hire.

1078 Passenger Vehicle License means a license to provide taxicab service using a
1079 specified motor vehicle.

1080 Seat belt means a seat belt as defined in State law.

1081 Security seal means a lead and wire seal, or a similar device, attached to a
1082 taximeter to secure the meter against unauthorized access, removal, or
1083 adjustment.

1084 Security interest means any security interest, pledge, mortgage, deed of trust,
1085 or similar encumbrance, by act or deed or by operation of law, to secure the
1086 repayment of indebtedness incurred with respect to a licensee's taxicab
1087 business or the acquisition of a passenger vehicle license by a licensee.

1088 Special license means a license to provide taxicab service to a population,
1089 based on geographic location or special need, that the Director finds would be
1090 underserved by existing taxicab service.

1091 Taxicab means a motor vehicle that:

1092 (1) is designed or configured to carry 7 or fewer persons, not
1093 including the operator;

(2) is used to provide for-hire taxicab service in the County, and

(3) either:

(A) appears to be a taxicab or otherwise for hire;

(B) displays the words "taxi", "cab", or "taxicab" anywhere on the vehicle;

(C) is advertised or held out to the public as a taxicab; or

(D) is used to respond to an immediate request for passenger transportation.

Taxicab Driver Identification Card or Identification (ID) Card means a card showing that the holder has qualified to drive a taxicab in the County.

Taxicab Service means carrying one or more passengers for compensation between points chosen by the passenger:

(1) regardless of how or when engaged, for a fare that is based on the distance traveled, time elapsed, or both, except as expressly authorized under this Chapter; or

(2) after being engaged by hail from a street, or from a parking lot, taxi stand, or other location where the vehicle is waiting for a request for service.

Taxicab Stand means an area marked solely for the use of taxicabs to wait for passengers.

Transfer:

(1) means an assignment, sale, gift, conveyance, or other disposition that has as its purpose or effect the transfer of the rights conferred under this Chapter on the licensee to another person or entity; and

(2) if the licensee is a business entity, includes the transfer of 50 percent or more of the stock, voting rights, membership interest, or other ownership or controlling interest in the entity, regardless

1121 of whether the transfer occurs as one transaction or a series of
1122 separate transactions.

1123 **53-102. Enforcement of Chapter.**

1124 This Chapter is enforced by the Director, the County Police Department, any
1125 other law enforcement agency, and any other County department or office assigned
1126 by the County Executive.

1127 **53-103. Taxicab Services Advisory Committee.**

1128 (a) The County Executive must appoint, subject to confirmation by the
1129 County Council, a Taxicab Services Advisory Committee.

1130 (b) The Committee must:

1131 (1) advise the Director in carrying out duties and functions under this
1132 Chapter; and

1133 (2) evaluate the performance of the taxicab industry in serving
1134 members of the population with special transportation needs,
1135 such as senior citizens and people with disabilities.

1136 (c) The Committee consists of 5 public members and 4 taxicab industry
1137 members. The County Executive should appoint members so that:

1138 (1) one public member represents senior citizens, and another public
1139 member represents people with disabilities;

1140 (2) two of the 4 taxicab industry representatives represent
1141 management and 2 are taxicab drivers; and

1142 (3) one of the 2 drivers is an owner-driver and one is a non-owner
1143 driver.

1144 (d) The Director or the Director's representative must serve as an ex-officio
1145 non-voting member. The Chief of the Division of Consumer Affairs in
1146 the Department of Housing and Community Affairs, or the Chief's
1147 representative, must also serve as an ex-officio non-voting member.

(e) A Committee member serves for a term of 3 years, or until a successor is confirmed, whichever is later. A member must not serve more than 2 consecutive full terms. A person appointed to fill a vacancy serves for the remainder of the predecessor's term.

(f) The Committee must annually select one public member as chair.

53-104. Regulations

Unless otherwise specified in this Chapter, the County Executive may adopt regulations under method (2) to administer this Chapter.

53-105. Administrative record.

The Director must keep an accurate record of every identification card and license application for a reasonable time. The record should include all relevant information and material pertaining to the application and any license or identification card that is issued.

53-106. Rates.

(a) The County Executive must set taxicab rates by regulation to promote the public interest after holding a public hearing and considering the recommendations of the Committee.

(b) To encourage ride sharing and other innovative taxicab services, the regulation may require a licensee to accept certain payment methods and charge rates that are not taximeter based.

(c) The Director may approve rates other than those set in the regulations as provided in a contract filed with the Department if the Director finds that the alternative rates will not result in a significant reduction of service to the general public. Any alternative rates that are higher than the rates set by regulation under subsection (a) must also be set by regulation.

(d) A person must not charge for taxicab service except as allowed under

1175 applicable regulations or subsection (c).

1176 **53-107. Fees.**

1177 The Director may charge fees set by regulation adopted under method (2) in an
 1178 amount necessary to administer this Chapter.

1179 **53-108. Taxicab stands.**

1180 The Director, by notice printed in the County Register, may designate taxicab
 1181 stands for the exclusive use of taxicabs where they are required in the public interest.

1182 **53-109. Duplicates.**

1183 Upon proof satisfactory to the Department that a license or identification card
 1184 has been lost or destroyed, the Department must issue a duplicate license or
 1185 identification card to the licensee or driver, after the licensee or driver has paid the
 1186 required fee, unless the license or identification card has been revoked or suspended
 1187 under this Chapter.

1188 **53-110. Customer service requirements.**

- 1189 (a) A regulation issued by the Executive must establish:
- 1190 (1) specific customer service requirements and minimum
 1191 performance criteria applicable to each licensee, but which may
 1192 vary by type of licensee;
- 1193 (2) the required submission dates for any customer service plan and
 1194 other data that licensees must regularly submit;
- 1195 (3) the dates certain minimum levels of service and other
 1196 performance requirements must be met; and
- 1197 (4) the consequences of failure to meet any requirements.
- 1198 The service requirements and performance criteria must focus on
 1199 recurring problems with customer service that the Department has
 1200 identified through customer complaints or otherwise.
- 1201 (b) These regulations must also include:

- 1202 (1) performance-based qualifications and requirements for receiving
1203 additional licenses under Section 53-205;
- 1204 (2) the standards and procedure by which the Director may deny or
1205 revoke a license if a licensee does not meet any mandatory
1206 customer service requirement;
- 1207 (3) defined geographic areas of service, subject to modification as
1208 provided in Section 53-222(b)(10), and minimum acceptable
1209 service parameters for each geographic area;
- 1210 (4) information required for a review or audit of performance criteria
1211 and data submission;
- 1212 (5) guidelines for a complaint resolution process for customer
1213 complaints that employs, to the extent feasible, an independent
1214 mediation or dispute resolution mechanism;
- 1215 (6) guidelines for procedures each fleet or association must employ
1216 to keep each person who calls for service informed of the status
1217 of that person's request;
- 1218 (7) any special procedures that the Executive concludes are
1219 necessary to assign appropriate priority to service requests from
1220 persons with special medical needs or non-emergency travel to or
1221 from medical facilities; and
- 1222 (8) the percentage of calls for prearranged service that should be
1223 picked up within 10 minutes, and the percentage of calls for
1224 immediate service that should be picked up within 20 minutes.
1225 The Executive by regulation may set a different response
1226 standard for each type of service. "Prearranged service" is
1227 service requested, by telephone or electronically, at least 2 hours
1228 before the passenger is scheduled to be picked up.

(c) As a condition of receiving a license under this Chapter, each licensee must agree that all data submitted under this Section is public information. The Director must regularly make that information available to the public in an annual report on taxicab service in a format set by regulation, and in any other fashion that the Director finds will inform the public.

(d) The Director, after consulting the Taxicab Services Advisory Committee, may use any reasonable mechanism to collect more data that may be used to measure and evaluate customer service performance, including complaint data, customer surveys, and service sampling techniques.

ARTICLE 2. TAXICAB LICENSES

53-201. Required.

(a) A person must not provide taxicab service without possessing a license as required under this Chapter.

(b) A license must be issued only to the owner of each taxicab.

(c) A licensee must not operate a taxicab or provide taxicab service unless the licensee either:

(1) holds a fleet license; or

(2) holds one or more individual licenses and is affiliated with an association or a fleet.

(d) A licensee must hold a license for each taxicab.

53-202. Display.

Each licensee and driver are both responsible for displaying the license prominently in the taxicab at all times in a location that is plainly visible to passengers.

53-203. Types of licenses; cross-ownership.

(a) A fleet or association, including any officer, director, owner, employee, affiliate, subsidiary, or holding company, must not have any direct or indirect ownership interest in or management control over any other fleet or association that operates in the County.

(b) An individual must not hold a license originally issued to a fleet or association under this Chapter, and a fleet or association must not hold a license originally issued to an individual under this Chapter, unless the license was lawfully transferred under Section 53-204.

53-204. Transferability; security interest.

(a) Any license must not be transferred except as provided in this Chapter.

(b) A license may be transferred only if:

(1) the licensee notifies the Department in writing of the proposed transfer not less than 30 days before the date of the proposed transfer, specifying all terms and conditions of the proposed transfer and the identity of the proposed transferee;

(2) the Director finds that the proposed transferee meets all requirements of this Chapter and applicable regulations; and

(3) the licensee surrenders the license when the Director approves the transfer.

(c) A license issued to an individual may be transferred only if the license was not issued or transferred within the previous 3 years.

(d) The Director must not approve the transfer to an individual of a license issued to a fleet if:

(1) the same fleet has already transferred more than 2 licenses to individuals during that calendar year; or

(2) the transfer would result in individuals holding more than 30% of the total number of licenses then in effect.

(e) The Director must not approve a transfer of any license if the transferee already holds, or would then hold, more than 40% of the total number of licenses then in effect. This subsection does not prohibit the sale or transfer of a licensee that held more than 40% of the licenses in effect on October 1, 2004, or the sale or transfer of all or a majority of the licenses held by that licensee.

(f) A security interest may be created in a passenger vehicle license, subject to the Director's approval. The Executive may by regulation attach further conditions to the creation of a security interest, consistent with this subsection, as necessary to avoid significant disruptions in taxi service. The Director may approve the creation of a security interest only if:

(1) the licensee and, if different, the proposed holder of the security interest has notified the Director at least 30 days before the security interest would be created of the identities of all parties to and all terms and conditions of the security interest; and

(2) the secured party acknowledges in the security interest agreement that:

(A) the security interest is subordinate, in all respects, to the authority of the Director to suspend, revoke, or refuse to renew the license under this Chapter; and

(B) any transfer of the license pursuant to a foreclosure or execution on the security interest is not effective unless the Director finds that the proposed transferee satisfies all requirements of this Chapter and applicable regulations.

The Director must send to the secured party, at its last address on file with the Department, a copy of any written notice to the licensee

1310 regarding the suspension, revocation, or refusal to renew the license.

1311 That notice is the only notice the Director is required to provide to a

1312 secured party of any action taken or proposed to be taken with respect to

1313 a license.

1314 (g) A transferred license is valid for the remainder of the term of the

1315 original license.

1316 **Division 1. Issuance, Denial, Expiration, and Renewal.**

1317 **53-205. Periodic issuance of new licenses.**

1318 (a) **Notice.** The Director may periodically issue new licenses to qualified

1319 applicants or reissue any license that has been revoked or not renewed

1320 under this Chapter, as provided in this Section. The Director must

1321 advertise the availability of these licenses in at least one newspaper of

1322 general circulation in the County for 2 consecutive weeks before

1323 accepting applications. The Director should also notify, by electronic

1324 mail or other reasonable means, any licensee or driver who requests to

1325 be notified of the availability of new or reissued licenses.

1326 (b) **Criteria.** The Director may issue new or reissued licenses to qualified

1327 applicants, including existing licensees and persons who do not then

1328 hold licenses, who meet criteria defined by regulation which promote

1329 competition and further the purposes of this Chapter. The criteria must:

1330 (1) be based on public convenience and necessity, such as the need

1331 for more taxicab service in the County generally or in certain

1332 geographic areas of the County, or for certain types of

1333 passengers, as shown by such measurements as taxi utilization

1334 rates and response times; and

1335 (2) consider the performance record of each applicant in providing

1336 taxicab service in the County or elsewhere.

(c) **Individual allocation.** Of the new or reissued licenses issued in any 2-year period, 20% must be allocated to individuals who:

- (1) have held a Taxicab Driver Identification Card, and have regularly driven a taxicab in the County, during the preceding 3 years;
- (2) have a superior driving record, as defined by regulation; and
- (3) do not already hold a license under this Chapter.

In deciding among individuals who qualify under this subsection, the Director must rank them by the number of years that each individual has regularly driven a taxicab in the County. If a sufficient number of qualified individuals do not apply for a license under this subsection, the Director may allocate the remaining licenses to individuals who already hold a license under this Chapter.

(d) **Biennial limit.** During calendar year 2005 the Director must not issue more than 70 new or reissued licenses. In each later odd-numbered year, the Director may issue a total number of new or reissued licenses that does not exceed 10% of the number of licenses then in effect.

(e) **Additional licenses – extraordinary authority; population limit.** The Director may issue more licenses than are authorized under subsection (d) if the Director finds, after holding a public hearing, that additional taxicabs are necessary to improve service to specified geographic areas or types of taxicab users or generally to increase competition. However, the total number of licenses issued must not exceed 1 license for each 1,000 County residents, as computed in the most recent decennial U.S. Census or any census update published by the appropriate federal agency.

(f) **Individual limit.** Notwithstanding any other provision of this Section,

the Director must not issue more than 10 new or reissued licenses in any 2-year period to any licensee that holds or controls more than 40% of the licenses then in effect.

53-206. License issuance; initial fee.

(a) The Director may issue a license only to a qualified applicant under this Chapter. An applicant is qualified if the applicant:

- (1) meets all requirements of this Chapter and applicable regulations; and
- (2) pays the initial license fee.

(b) The Executive must set the initial license fee by regulation. In setting the amount of the fee, the Executive must consider:

- (1) the County's interest in encouraging competition and improving customer service;
- (2) the value of the license to the applicant; and
- (3) the cost to the Department of processing applications and issuing the license.

53-207. License application.

A person may obtain a license by applying to the Director on a form provided by the Department that, at a minimum, requires the applicant to provide:

- (a) a statement of financial responsibility, showing the availability of unencumbered financial resources sufficient to place the vehicle into service;
- (b) a certificate of insurance, a certificate of self-insurance issued by the state motor vehicle agency, or a written statement from an insurance company licensed to do business in Maryland certifying that:
 - (1) the applicant will be able to acquire the required insurance; and
 - (2) the insurance will not be canceled or modified without prior

- 1391 written notice from the insurer to the Department;
- 1392 (c) the applicant's past customer service record, if the applicant has
- 1393 engaged in taxicab service in any jurisdiction;
- 1394 (d) a statement that the applicant is familiar with this Chapter and
- 1395 applicable regulations, and is not disqualified from holding a license
- 1396 under this Chapter;
- 1397 (e) the applicant's experience in providing taxicab or other transportation
- 1398 service;
- 1399 (f) a description of the applicant's financial and managerial resources
- 1400 available to operate and maintain the taxicab as required by law; and
- 1401 (g) the geographic areas the applicant primarily intends to serve, including
- 1402 the extent of the applicant's willingness to serve areas or types of
- 1403 passengers that need additional service.

1404 **53-208. Individual licenses.**

1405 The Director must issue a license to each individual applicant who qualifies

1406 under this Chapter, subject to the limits and requirements in Section 205 and the

1407 procedures in Section 210.

1408 **53-209. Individual license application.**

1409 In addition to the information required in Section 53-207, each applicant for a

1410 license to be issued under Section 53-205(c) or otherwise to an individual must:

- 1411 (a) specify which fleet or association the applicant will affiliate with before
- 1412 putting the taxicab into service;
- 1413 (b) hold a valid identification card;
- 1414 (c) describe the applicant's experience driving a taxicab or other
- 1415 commercial passenger vehicle, and the applicant's experience as a
- 1416 taxicab driver in the County;
- 1417 (d) present evidence of the applicant's intent to drive the taxicab for 3

- 1418 years, or if the applicant does not intend to personally drive the taxicab,
 1419 provide the name of a driver with a valid identification card who is
 1420 committed and ready to drive the taxicab on a full-time basis;
- 1421 (e) specify the number and type of consumer complaints regarding taxicab
 1422 service naming the applicant during the past 12 months;
- 1423 (f) have a safe driving record, as defined by applicable regulations;
- 1424 (g) list the applicant's name, date of birth, current address, and any address
 1425 where the applicant resided during the previous 5 years;
- 1426 (h) list the applicant's employment during the preceding 10 years; and
- 1427 (i) show that the applicant, or if the applicant does not intend to personally
 1428 drive the taxicab, the driver designated under subsection (d), has
 1429 provided taxicab service in the County satisfactorily for at least 12
 1430 months.

1431 **53-210. Individual license lottery.**

- 1432 (a) If the number of applications filed by qualified individual applicants as
 1433 defined under Sections 205 and 209 equals or is less than the number of
 1434 new licenses authorized for individual use in a 2-year period, the
 1435 Director must issue a license to each qualified applicant. If the number
 1436 of applications from qualified individuals exceeds the number of new
 1437 individual licenses authorized for that period, the Director must conduct
 1438 a lottery among each group of qualified individuals with an equal
 1439 number of years' experience regularly driving a taxicab in the County to
 1440 determine the priority of issuance.
- 1441 (b) Licenses issued by lottery must be awarded under the procedures of this
 1442 Section and Section 205.
- 1443 (c) The Director may conduct a separate lottery for:
- 1444 (1) licenses for accessible taxicabs;

(2) other new licenses that become available; and

(3) any other authorized license that becomes available.

(d) A lottery must be conducted so that each qualified applicant has an equal probability of receiving a license, subject to the seniority ranking required by Section 205(c).

(e) A lottery may be conducted in 2 separate phases. Phase 1 would determine the recipients of available individual licenses and continue until all available licenses have been awarded. Phase 2 would create an eligibility list for issuance of individual licenses that later become available. The drawing in Phase 2 must continue until twice the number of available licenses have been drawn, or a smaller number if sufficient applicants did not apply for an individual license. The eligibility list created under Phase 2 is valid for the remainder of the 2 year period, or until the next lottery is conducted if longer than 2 years.

(f) As licenses become available for reissuance, the Department must notify the applicant highest on the eligibility list that a license is available and of the applicable acceptance procedures and deadlines. The Department must send notice by mail to the address listed by the applicant on the application or to any updated address provided by the applicant in writing to the Department. If the taxicab is not placed in service within 90 days after the license is issued, the Director must revoke the applicant's eligibility and notify the next applicant on the eligibility list. The Director may extend the time to place a taxicab in service to permit the taxicab to be retrofitted for use as an accessible taxicab.

53-211. Fleet license application.

In addition to the information required in Section 53-207, each applicant for a

1472 license issued to a fleet must:

- 1473 (a) submit evidence that the fleet provides or will be able to provide its own
1474 centralized administrative, managerial, marketing, operational, dispatch,
1475 and driver training services;
- 1476 (b) calculate previous taxicab productivity, as measured by the number of
1477 daily trips per taxicab or an equivalent measurement approved by the
1478 Director, if the applicant has previously provided taxicab service in any
1479 jurisdiction;
- 1480 (c) describe the extent of the applicant's development of and participation
1481 in innovative taxicab services;
- 1482 (d) submit the number of consumer complaints involving taxicab service
1483 provided by the applicant, by type, filed with the County or any other
1484 government agency in the past 24 months, and the resolution of each
1485 complaint;
- 1486 (e) list each enforcement action involving taxicab service provided by the
1487 applicant or any of its drivers during the past 24 months of which the
1488 applicant is aware, listing the number, violations alleged, and
1489 disposition of each action;
- 1490 (f) submit other performance related criteria, as required by regulation;
- 1491 (g) describe all ownership and management interests relating to taxicabs of
1492 the applicant and any affiliated, parent, or subsidiary business entity;
- 1493 (h) specify the levels and types of service to be provided;
- 1494 (i) provide evidence of the level of capitalization and expected operating
1495 costs;
- 1496 (j) describe the applicant's existing or proposed hiring and training
1497 procedures for drivers; and
- 1498 (k) attest that the applicant has not transferred the ownership of any license

1499 during the previous 24 months.

1500 **53-212. Special licenses.**

1501 (a) In addition to the licenses regularly available for issuance, the Director
1502 may issue special licenses to qualified applicants to provide innovative
1503 taxicab service, on an experimental or permanent basis, such as:

1504 (1) transportation for persons with special transportation needs,
1505 including:

1506 (A) senior citizens;

1507 (B) people with disabilities;

1508 (C) citizens in up-county and rural areas; or

1509 (D) citizens using hospitals, senior centers, and other
1510 underserved locations or areas;

1511 (2) jitney service, which is service over a regular route on a flexible
1512 schedule; or

1513 (3) similar transportation services.

1514 (b) The availability of licenses under this Section must be advertised in at
1515 least one newspaper of general circulation in the County for 2
1516 consecutive weeks. The Director should also notify, by electronic mail
1517 or other reasonable means, any licensee or driver who requests to be
1518 notified of the availability of new licenses.

1519 (c) Licenses must be issued on a competitive basis using criteria set by
1520 regulation that are intended to achieve a high level of taxicab service.
1521 The Director may establish appropriate procedures, fees, and conditions
1522 to issue a license under this Section.

1523 (d) The Director may revoke a license issued under this Section at any time
1524 for noncompliance with this Chapter or failure to provide the service for
1525 which the license was issued.

(e) The licensee must return any license issued under this Section to the Department:

(1) when the vehicle is no longer eligible to provide the required service; or

(2) if the Director revokes the license because the service is no longer needed or was underused during a reasonable time after the license was issued.

53-213. Criteria to deny a license.

The Director must not issue or renew a license to any person, licensee, or applicant:

(a) who, within 5 years before the application is submitted, was convicted of, pled guilty or no contest to, or was placed on probation without a finding of guilt for, or who when the application is submitted, has a charge pending for, or who has, within 3 years before the application was submitted, completed a sentence or period of probation based on a charge for:

(1) any offense involving violence or a weapon;

(2) any sex offense;

(3) soliciting for prostitution;

(4) illegal sale or use of alcoholic beverages;

(5) violation of any law governing controlled dangerous substances;

(6) violation of any gaming law;

(7) any offense involving driving under the influence of alcohol; or

(8) any act of moral turpitude;

(b) who has a pattern of reasonably verifiable complaints of substandard customer service during the previous 24 months;

(c) whose traffic record of "moving" offenses for the 3 years immediately

1553 before the application was submitted, or while licensed to drive a
 1554 taxicab, demonstrates that the applicant is not a responsible, safe, or
 1555 careful driver. This record may include eyewitness testimony of unsafe
 1556 or dangerous driving;

1557 (d) who makes a false statement or gives a false answer to obtain, or who
 1558 obtains, a license by fraud, misrepresentation, misleading statements,
 1559 evasion, or suppression of material fact;

1560 (e) who is unable to safely operate a taxicab, who may otherwise endanger
 1561 the public health, safety, or welfare, or who would be unable to fulfill
 1562 the duties of a driver as required by applicable regulation;

1563 (f) who has substantial delinquent debts to the County, State, or Federal
 1564 government; or

1565 (g) whose record of violations of this Chapter or other laws or regulations
 1566 of the County, State, or any other jurisdiction indicates to the Director
 1567 that to protect public safety a license should not be issued.

1568 If a license is denied or revoked, the applicant is not eligible to reapply for 2
 1569 years, unless the Director for good cause otherwise orders.

1570 **53-214. Additional criteria to deny a license.**

1571 (a) A licensee or applicant, as those terms are used in this Section, includes
 1572 any director, officer, partner, or managing agent, and any other person
 1573 who effectively controls the operations of a licensee.

1574 (b) The Director may decline to issue or renew a license to any licensee or
 1575 applicant:

1576 (1) who has been convicted of fraud, misrepresentation, or false
 1577 statement in the course of activity in a taxicab business;

1578 (2) who, while previously operating in any jurisdiction, has had a
 1579 license or other permission to operate taxicab services revoked or

1580 suspended because of material violation of law or substandard
 1581 performance;

1582 (3) who has failed to keep the licensed taxicab in continuous
 1583 operation as required by Section 53-227; or

1584 (4) who has not operated at the customer service levels required by
 1585 applicable regulations, or has not complied after reasonable
 1586 notice with any required safety, operational, or inspection
 1587 requirement of this Chapter.

1588 **53-215. Expiration of license.**

1589 A license expires one year after it is issued.

1590 **53-216. Renewal of license.**

1591 The Director must renew a license if the licensee:

1592 (a) is in compliance with all applicable laws and regulations, including all
 1593 required safety, operational, and inspection requirements of this
 1594 Chapter;

1595 (b) submits a statement under oath affirming that the information and
 1596 statements submitted with the original application have not materially
 1597 changed, except as previously or then submitted; and

1598 (c) pays the required fee.

1599 **Division 2. Duties of Licensees.**

1600 **53-217. Notice of change of address.**

1601 Each licensee must notify the Department, in writing, not less than 2 business
 1602 days after changing:

1603 (a) a business or residential address;

1604 (b) a required telephone number; or

1605 (c) any officer, principal, partner, or managing agent, or any other person
 1606 who effectively controls the operations of a licensee.

1607 **53-218. Quarterly accident reports.**

1608 Each licensee must submit a quarterly report detailing all accidents involving
 1609 any of its taxicabs to the Department on a form approved by the Director. The
 1610 Director may require a more frequent report.

1611 **53-219. Responsibility of licensees, affiliates, and drivers.**

1612 (a) A licensee must not knowingly permit any taxicab to be operated in this
 1613 County by a person who has:

1614 (1) not been authorized to operate a taxicab under this Chapter; or

1615 (2) tested positive for drugs or alcohol, as defined by applicable
 1616 regulations, unless authorized by the Director.

1617 (b) Each licensee must promptly take appropriate action when the licensee
 1618 becomes aware from any source that a driver of a taxicab for which the
 1619 licensee holds the license or regarding which the licensee is a party to an
 1620 affiliation agreement has not complied with all requirements of this
 1621 Chapter and the customer service standards adopted under this Chapter.

1622 (c) Each licensee must exercise due diligence to monitor the activities of
 1623 each driver of a taxicab for which the licensee holds the license or
 1624 regarding which the licensee is a party to an affiliation agreement to
 1625 assure that the driver complies with all requirements of this Chapter and
 1626 the customer service standards adopted under this Chapter.

1627 (d) Notwithstanding the legal status of any driver as an independent
 1628 contractor rather than an employee of the licensee, for the purposes of
 1629 this Chapter (and particularly the customer service standards adopted
 1630 under this Chapter) the responsibility of each licensee for the conduct
 1631 and performance of drivers under this Chapter:

1632 (1) applies to each driver, including affiliates of the licensee; and

1633 (2) prevails over any inconsistent contract or other agreement

1634 between a licensee and an affiliate or a driver.

1635 (e) Any contract or other operating agreement between a licensee and any
 1636 driver must:

1637 (1) inform the driver of:

1638 (A) the driver's obligation to comply with all requirements of
 1639 this Chapter and the customer service standards adopted
 1640 under this Chapter; and

1641 (B) the licensee's obligation to take appropriate action when
 1642 the licensee becomes aware that a driver has not complied
 1643 with any requirement or customer service standard;

1644 (2) empower the licensee to take appropriate action, as required in
 1645 subsection (b); and

1646 (3) not restrict a driver, affiliate, or taxicab owner from providing
 1647 taxicab service in the County after the contract or agreement
 1648 expires or is terminated.

1649 (f) (1) Any contract or other operating agreement between a licensee
 1650 and any affiliate or driver must require both parties to participate
 1651 in good faith in an independent, third-party mediation or
 1652 alternative dispute resolution process, which may be administered
 1653 by the Department or the Department's designee, that meets
 1654 standards set by applicable regulation, when either party invokes
 1655 the process to resolve any dispute arising from the operation of
 1656 the contract or agreement or regarding the affiliate's or driver's
 1657 compliance with any requirement of this Chapter or a customer
 1658 service standard adopted under this Chapter.

1659 (2) The implementing regulations may specify that certain classes of
 1660 disputes are not subject to this process.

(3) This subsection does not preclude either party, before having participated in the required dispute resolution process, from taking any other lawful action to enforce any contract or agreement. However, the dispute resolution administrator may stay the operation of any action taken by a party when a stay is necessary to preserve the rights of any party.

Division 3. Additional Duties of Fleets and Associations.

53-220. Essential requirements.

Each fleet and association must:

- (a) establish a management office in the County, or at another location approved by the Director;
- (b) provide a communication system approved by the Director that:
 - (1) gives the driver and fleet or association two-way dispatch communication; and
 - (2) allows public access to request service, register complaints, and seek information. The communications system must allow a member of the public to speak to a staff member 24 hours a day, 7 days a week;
- (c) operate under uniform colors and markings approved by the Director;
- (d) submit a customer service plan as required by applicable regulations that specifies how the fleet or association will achieve the plan's goals for safe, reliable customer service and on-time performance;
- (e) submit accurate, verifiable operating and statistical data reports as required under this Chapter;
- (f) provide an adequate number of taxicabs to meet service demand 24 hours a day, 7 days a week, as defined by applicable regulations; and
- (g) comply with all requirements of this Chapter regarding the provision of

1688 accessible taxicabs.

1689 **53-221. Operating requirements.**

1690 Each fleet and association must:

1691 (a) provide its own centralized administrative, vehicle maintenance,
 1692 customer service, complaint resolution, dispatch, management,
 1693 marketing, operational, and driver training services located in the
 1694 County, or at one or more other locations approved by the Director, that
 1695 are physically separate from any other association or fleet. A fleet or
 1696 association may obtain these services, with the approval of the Director:

1697 (1) from another person or entity who does not hold, or have an
 1698 interest in, a license issued under this Chapter; or

1699 (2) from another fleet or association if the Director finds that joint
 1700 operations of this type:

1701 (A) would promote competition and improve customer service;
 1702 and

1703 (B) would not impair the independence of any fleet or
 1704 association;

1705 (b) designate one to 4 persons with managing or supervisory authority to
 1706 act on behalf of the fleet or association in all contact with the
 1707 Department; and

1708 (c) file with the Department, in addition to any other data required by law:

1709 (1) if the fleet or association is incorporated, a copy of its certificate
 1710 of incorporation, bylaws, and all other rules and regulations
 1711 relating to the organization and operation of the entity and its
 1712 membership;

1713 (2) if a corporation holds a license, each year by February 1 a
 1714 certificate of good standing issued by the State Department of

1715 Assessments and Taxation; and
 1716 (3) information on a form provided by the Department, showing, for
 1717 each taxicab, the licensee's name and address, vehicle make,
 1718 vehicle identification number and taxicab number, and other
 1719 pertinent information listed on the form. Any change in the
 1720 information required by this paragraph must be filed in writing
 1721 with the Department within 2 business days after the change.

1722 **53-222. Customer Service Plan.**

1723 (a) Each fleet and association is responsible for providing timely, safe,
 1724 reliable quality taxicab service. To that end, each fleet and association
 1725 must submit to the Director a customer service plan as required by
 1726 Section 53-110 and applicable regulations.

1727 (b) At a minimum, each fleet and association's initial customer service plan
 1728 must:

1729 (1) specify the fleet or association's anticipated percentage of trips
 1730 that will achieve the applicable response time standards set under
 1731 Section 53-110(b)(8) for prearranged service requests and calls
 1732 for immediate service, or submit proposed response times for
 1733 immediate and prearranged service that are different in any
 1734 service area specified by the fleet or association. When different
 1735 response times are proposed, the plan must describe why the
 1736 differences are proposed, considering growth in a service area or
 1737 the fleet or association's willingness to serve areas that need
 1738 additional service;

1739 (2) include timelines to achieve the proposed standards if they will
 1740 not be met in the next year;

1741 (3) describe any operational changes the fleet or association intends

- 1742 to implement that would result in improved service;
- 1743 (4) describe what procedures the fleet or association will employ to
- 1744 keep each person who calls for service informed of the status of
- 1745 that person's request;
- 1746 (5) describe any special procedures the fleet or association will use to
- 1747 assign appropriate priority to service requests that involve
- 1748 persons with special medical needs or non-emergency trips to or
- 1749 from medical facilities;
- 1750 (6) specify the number of taxicabs needed to achieve response times,
- 1751 and justify an increase in taxicab licenses, if requested, based on
- 1752 public convenience and necessity;
- 1753 (7) include a phased-in plan for service improvements, particularly
- 1754 noting any improvements intended to achieve better service to
- 1755 senior citizens, people with disabilities, or other underserved
- 1756 populations identified by the Director;
- 1757 (8) describe the fleet or association's participation, and goals for
- 1758 participation, in user-side subsidy programs;
- 1759 (9) calculate the fleet's or association's user-side subsidy program
- 1760 participation data for the previous 12 months;
- 1761 (10) describe the fleet or association's geographic areas of service,
- 1762 including any planned expansion in a service area or a
- 1763 willingness to serve areas that need additional service;
- 1764 (11) calculate prior taxicab productivity, measured by the number of
- 1765 daily trips per cab or an equivalent measurement;
- 1766 (12) describe the fleet or association's development of and
- 1767 participation in innovative taxicab services;
- 1768 (13) list the number of consumer complaints involving the fleet or

association, by type, filed with the County or another government agency in the past 24 months; and

(14) list the number of enforcement actions against the fleet or association or its drivers of which the fleet or association is aware, started and completed during the past 24 months.

(c) Any customer service plan filed after the initial plan must show any changes in the data included in the initial plan, and any new data required by applicable regulations.

53-223. User-side subsidy programs – participation.

Any fleet or association must participate in the County's user-side subsidy programs, as required by applicable regulations, unless the Director waives this requirement for good cause.

Division 4. Regulation of Taxicab Vehicles.

53-224. Mechanical inspection certificate.

Before a license is issued under this Chapter, the applicant must furnish a certificate from a state-certified inspection station in good standing that a comprehensive inspection, performed to state standards by a licensed state inspector, shows that the vehicle is mechanically safe. A license must not be issued if the vehicle has been driven more than 150 miles since the inspection was performed.

53-225. Insurance required.

(a) Before the Director issues any passenger vehicle license under this Chapter, the applicant must submit written proof of insurance or self-insurance for the vehicle that covers bodily injury or death to any passenger or other person, and property damage, in amounts required by applicable regulations.

(b) The insurance must be provided by an insurer licensed to do business in the State or, alternatively, under a self insurance program approved and

1796 administered by the state motor vehicle agency.

1797 (c) If the insurance coverage lapses at any time during the license term, the
 1798 taxicab license is automatically suspended. The licensee must
 1799 immediately notify the Department, stop operating the taxicab, and
 1800 surrender the license to the Department. The Director must promptly
 1801 reinstate the license if all required insurance coverage is documented to
 1802 the Director's satisfaction.

1803 (d) Each taxicab must contain sufficient copies of a summary of insurance
 1804 information, in a form approved by the Director, that may be given to
 1805 passengers, members of the public, and law enforcement officers. The
 1806 summary must include:

1807 (1) the name and address of the vehicle owner;

1808 (2) the vehicle's license tag number;

1809 (3) the name, address, office hours, and telephone number of the
 1810 insurance claims office responsible for adjusting any insurance
 1811 claim arising from use of the vehicle; and

1812 (4) the name, address, and telephone number of the Department and
 1813 any other government agency where complaints regarding
 1814 insurance claims handling may be filed.

1815 **53-226. State registration required.**

1816 The Director must not issue or renew a license unless the licensee has
 1817 registered the taxicab as a "class B" for-hire vehicle with the Motor Vehicle
 1818 Administration for the year in which the license is applied for, and the registration
 1819 remains valid. The licensee must notify the Department in writing not more than 2
 1820 business days after the licensee receives notice that the vehicle registration is revoked
 1821 or suspended.

1822 **53-227. Continuous operation.**

- 1823 (a) Each licensee must notify the Department in writing at any time that:
 1824 (1) a taxicab will be or has been out of service for more than 30 days,
 1825 or
 1826 (2) an average of more than 15% of the taxicabs whose licenses are
 1827 held by that licensee have been inactive during the previous
 1828 calendar month.
- 1829 (b) Each notice must:
 1830 (1) explain the reasons for each period of inactivity; and
 1831 (2) show why the Director should not revoke the license of each
 1832 inactive taxicab for lack of use.

1833 **53-228. Procedure when vehicle placed in or removed from service.**

- 1834 (a) Each licensee must notify the Department in writing at least 3 business
 1835 days before placing a taxicab in service.
- 1836 (b) Each licensee must place a taxicab in service within 90 days after a
 1837 license is approved for issuance. Issuance of the license takes effect
 1838 when the vehicle is placed in service; if the vehicle is not actually
 1839 placed in service, the license has not been issued. The Director may
 1840 extend the time to place a taxicab in service for no more than 90
 1841 additional days:
- 1842 (1) to allow a vehicle to be retrofitted for use as an accessible
 1843 taxicab; or
- 1844 (2) in the case of a fleet, to allow the fleet to buy the taxicab and
 1845 prepare it to be placed in service.
- 1846 The Director must not otherwise waive or extend this requirement.
- 1847 (c) Each licensee must notify the Department at least 3 business days
 1848 before removing a taxicab permanently from service, whether the owner
 1849 junks the vehicle, sells it, or transfers its title.

- 1850 (d) Each licensee must notify the Department if a vehicle's license plates
 1851 have been stolen or its registration or license has been suspended or
 1852 revoked. Any vehicle without a valid registration or with expired,
 1853 revoked or suspended license plates must not be used to provide taxicab
 1854 service.
- 1855 (e) When a taxicab is permanently out of service, the licensee must return
 1856 the license to the Department and must remove the meter, cruising
 1857 lights, and any other marking or sign that identifies the vehicle as a
 1858 taxicab.
- 1859 (f) Each licensee must receive the Department's approval before taking a
 1860 taxicab out of service for a period longer than 30 days. The licensee
 1861 must explain why the taxicab is out of service and list its license
 1862 number, assigned vehicle number, and registration number. If the
 1863 Department finds that the licensee has good cause, as defined by
 1864 applicable regulations, to take the taxicab out of service, the Department
 1865 may approve that action. If the Department rejects the application, the
 1866 licensee must promptly reinstate the taxicab in service.
- 1867 (g) Any vehicle placed in service as a taxicab must not be more than 4
 1868 model years old.

1869 **53-229. Age of vehicles.**

- 1870 (a) A licensee must not use any vehicle that is more than 7 model years old
 1871 to provide taxicab service in the County. As used in this Chapter, the
 1872 "model year" of a vehicle is the year designated by the vehicle
 1873 manufacturer, as indicated on the vehicle or in the manufacturer's
 1874 records. A licensee may maintain a vehicle in service until the next
 1875 December 31 after its seventh model year ends if the vehicle passes a
 1876 comprehensive safety inspection performed during the preceding

1877 August by a state-certified inspector in good standing.

1878 (b) The Director may waive this requirement only to maintain an accessible
 1879 taxicab in service for no more than 90 days when the licensee shows
 1880 that no adequate replacement vehicle was available for purchase during
 1881 the preceding 90 days.

1882 **53-230. Maintenance and repair.**

1883 (a) Each licensee must maintain each taxicab in a clean and safe operating
 1884 condition, and properly maintain its lights, brakes, window glass, doors,
 1885 tires, fenders, paint, upholstery, and all devices and parts affecting the
 1886 vehicle's safety, operation, or appearance.

1887 (b) Each licensee must comply with any order of the Director to
 1888 immediately remove from service any taxicab which is not in safe
 1889 operating condition, and to remove from service within 5 days any
 1890 taxicab that is not clean, sanitary, and of good appearance, until all
 1891 necessary repairs and replacement of defective equipment, painting, or
 1892 cleaning has been completed.

1893 (c) Any taxicab removed from service under this Section must not be
 1894 reinstated in service until it has been inspected and approved under
 1895 procedures established by applicable regulation.

1896 **53-231. Vehicle numbering, lettering, and markings; rate chart.**

1897 (a) When a license for a taxicab is issued under this Chapter, the
 1898 Department must assign a license number to the taxicab. The licensee
 1899 (or the fleet, if the vehicle is affiliated with a fleet) must assign a vehicle
 1900 number to each taxicab. The vehicle number must be permanently
 1901 applied, plainly visible, and not less than 3 inches high, on each of the 2
 1902 sides, on each of the 2 rear door roof columns, and on the rear of each
 1903 taxicab.

- (b) When the Director so orders, the license number must be affixed to the taxicab by decal or metal tag provided by the Department in a manner approved by the Director.
- (c) Numbers must be assigned only in the manner designated by the Director. A person must not remove, reassign, or change a number from one vehicle to another without written authorization by the Department.
- (d) The licensee must place lettering on the passenger side of the taxicab, in a form and manner approved by the Director, identifying the licensee.
- (e) A taxicab operating in the County must have the license number, and the name and telephone number of the fleet or association that owns or operates it and to whom complaints can be made, prominently displayed in the rear seat area of the taxicab with lettering and numbering at least 1.5 inches high. If the operator is not the owner, as defined in Section 53-101, the name, telephone number, and business address of the owner must similarly be prominently displayed.
- (f) A licensee must post a rate chart issued by the Department in the taxicab in a location conspicuously visible to any passenger.

53-232. Doors; lettering; color; special equipment.

- (a) Each taxicab operated in the County must have at least 3 doors. All doors must operate safely.
- (b) A licensee or driver must not operate a taxicab unless the taxicab bears markings in letters plainly distinguishable and not less than 3 inches high, on each of the 2 sides of the taxicab, showing the approved name and telephone number of the fleet or association by whom the taxicab is owned or operated, and the word "taxicab," "taxi" or "cab." If the named operator is not the owner, as defined in Section 53-101, the name

1931 and telephone number of the owner must be similarly displayed.

1932 (c) All taxicabs in a fleet or association must be uniform in color.

1933 However, the Director may approve advertising in different colors or

1934 markings as long as the public can still readily identify taxicabs

1935 operated by that licensee, or the use of a set of different colors and

1936 markings to identify a specialized service provided by or geographic

1937 area served by a fleet or association. Any color combination approved

1938 by the Department must be reserved for the exclusive use of that fleet or

1939 association when the fleet or association is operating taxicabs in the

1940 County.

1941 (d) Each licensee must insure that each fleet or association uses only the

1942 approved name of the fleet or association in advertising or listing its

1943 service to the public.

1944 **53-233. Cruising lights.**

1945 Each taxicab must have cruising lights that operate electrically as a sign or

1946 insignia mounted on the forward portion of the roof of the taxicab. These lights must

1947 not be used until approved by the Department. These lights must be designed so that

1948 the vehicle can be easily identified as a taxicab.

1949 **53-234. Seat belts.**

1950 Each taxicab must have one set of seat belts for the driver and each passenger.

1951 The seat belts must be easily accessible and in good working order.

1952 **53-235. Taxicab meters.**

1953 (a) Each taxicab must be equipped with an accurate, properly installed and

1954 connected taximeter which has a security seal affixed by the

1955 Department.

1956 (b) In addition to regular inspections, the Department may conduct periodic

1957 tests of these meters. Upon successful completion of the tests, the

taximeter must be affixed with a security seal. These tests should be scheduled in a manner that minimizes interruption of taxicab service to the public.

(c) Except as otherwise specified, the requirements for approval and methods of testing and operation of taximeters must conform to specifications, tolerances, and standards for taximeters set out in national standards or established by applicable regulation.

(d) A person must not alter the meter or change the mechanical condition of wheels, tires, or gears of any taxicab with the intent to cause incorrect registration by the meter of the fare charged to any passenger.

53-236. Inspections.

(a) Each licensee must allow the Director to make reasonable inspections of any vehicle licensed to operate under this Chapter, and must allow the Director to examine any business record, including any maintenance record, in-service inquiry or dispatching record required to analyze data and enforce this Chapter, and all trip records required under this Chapter. Maintenance record includes any record needed to establish whether safety repairs have been made, or that reflects the mileage and odometer readings of any vehicle.

(b) On the request of any inspector or law enforcement officer, any licensee or driver must produce any required license or identification card or a valid driver's license.

(c) Each driver must respond to an oral request within 60 minutes when any trip record required under Section 315 is requested during a field investigation by any inspector or law enforcement officer. Each fleet or association must make available a direct telephone line to the Department and the County Police Department on which the fleet or

1985 association must transmit any record it possesses of any trip taken or
 1986 dispatched on the same or the previous day, within 60 minutes after any
 1987 inspector or law enforcement officer requests the record.

1988 (d) Each taxicab licensed under this Chapter must undergo a complete
 1989 inspection of its mechanical condition and any special equipment used
 1990 to transport persons with disabilities every 180 days at a time and place
 1991 designated by the Department. The inspection must be performed by a
 1992 licensed state inspector at a state-certified inspection station in good
 1993 standing. The Director must immediately, without holding a hearing,
 1994 suspend the license of any taxicab in an unsafe physical or mechanical
 1995 condition. The Director must immediately reinstate any unexpired
 1996 suspended license after receiving satisfactory proof that the violation or
 1997 defect has been corrected.

1998 **ARTICLE 3. TAXICAB DRIVER IDENTIFICATION CARDS.**

1999 **53-301. Identification Card Required.**

2000 An individual must not operate a taxicab, or allow another individual to
 2001 operate a taxicab, unless that individual:

2002 (a) has a valid driver identification card; and

2003 (b) is capable of performing all duties of a taxicab driver.

2004 **53-302. Display.**

2005 Each driver must display the identification card at all times prominently in the
 2006 taxicab in a location that is plainly visible to passengers.

2007 **53-303. Transferability.**

2008 An identification card must not be transferred.

2009 **Division 1. Issuance, Denial, and Expiration.**

2010 **53-304. Identification card issuance.**

2011 The Department must issue a taxicab driver identification card to every driver

2012 who is qualified under this Chapter.

2013 **53-305. Contents of card.**

2014 A taxicab driver identification card must contain, at a minimum, the driver's
 2015 name and photograph, the card number and expiration date, and any other
 2016 information the Director reasonably requires.

2017 **53-306. Application; temporary card.**

2018 (a) A person who holds or who has held a valid identification card must
 2019 apply for a renewal card not less than 30 days before the current card
 2020 expires.

2021 (b) Under procedures established by regulation, a person may obtain an
 2022 identification card by applying to the Director on a form provided by the
 2023 Department that at a minimum requires the person to provide:

2024 (1) the applicant's name, date of birth, current address, and any
 2025 address where the applicant resided during the past 5 years;

2026 (2) a statement regarding whether the applicant has any criminal case
 2027 pending, has ever been convicted or plead no contest or received
 2028 probation before judgment in lieu of a conviction of a crime other
 2029 than a non-incarcerable traffic offense; the nature of each crime,
 2030 the disposition of each matter, and the name, telephone number,
 2031 and address of any parole officer or probation officer or agency
 2032 that may know of the offense or the proper completion of any
 2033 sentence, probation, or parole;

2034 (3) an authorization for a complete criminal background check;

2035 (4) a copy of the applicant's fingerprints taken by the County Police
 2036 Department or other agency approved by the Department, and
 2037 current photographs of the applicant of a size and character
 2038 required by applicable regulation;

(5) a driver's license valid in the applicant's state of residence, and a certified copy of the applicant's driving record for a time period as required by applicable regulation; and

(6) the applicant's statement under oath that all information contained in the application is correct and complete.

(c) (1) An applicant who has not held an identification card, or who held a card that has expired, may apply for a short-term temporary identification card under applicable regulations.

(2) The Director must not issue a temporary identification card unless the applicant has:

(A) properly verified his or her identity;

(B) a valid driver's license issued by Maryland or a bordering state (including the District of Columbia);

(C) undergone a criminal background check, conducted by the appropriate state agency, showing that the applicant is not disqualified because of a criminal conviction, receipt of probation before judgment in lieu of a conviction, or pending criminal charge from operating a taxicab; and

(D) passed the examination required under Section 53-308.

(3) After March 1, 2006, the Director must not issue a temporary or annual identification card unless the applicant has shown, through a complete criminal background check, that the applicant is not disqualified for any reason mentioned in Section 53-309(a).

(4) Any temporary identification card issued under this subsection must differ conspicuously in style and color from the annual identification card.

(5) A temporary identification card expires on the earlier of:

(A) 5 days after the Department receives the results of the nationwide criminal background check; or

(B) 90 days after the card was issued.

(6) The holder of a temporary identification card must return it to the Department, without further proceedings, on the earlier of:

(A) the day the Department issues the holder an annual identification card under this Chapter;

(B) the 90th day after the card was issued; or

(C) 1 day after the Department notifies the holder that the card has expired under subsection (c)(5)(A).

53-307. Physician's certificate.

(a) Before the Director issues an identification card, the applicant must furnish a physician's certificate, issued within the previous 30 days, which certifies that:

(1) the applicant has been given a physical examination, including an initial tuberculosis test and any other test required by applicable regulation; and

(2) the applicant is free from any communicable disease, and is not subject to any physical or mental impairment that could:

(A) adversely affect the applicant's ability to drive safely; or

(B) otherwise endanger the public health, safety, or welfare.

(b) As part of the renewal process, each applicant must submit another physician's certificate containing the same information every second year.

(c) After issuing an identification card, the Director must require a driver to furnish a physician's certificate, issued within 30 days, containing the same information, if the Director has reason to believe that the driver

may have any physical or mental impairment that could:

(1) adversely affect the driver's ability to drive safely; or

(2) otherwise endanger the public health, safety, or welfare.

53-308. Examination of applicant.

Before issuing an identification card, the Director must require the applicant to show that the applicant is able to:

(a) perform the duties and responsibilities of a taxicab driver; and

(b) pass an examination on knowledge of traffic laws, duties under this Chapter, and general qualifications to operate a taxicab in the County.

53-309. Criteria to deny an identification card.

The Director must not issue or renew an identification card to any driver or applicant:

(a) who, within 5 years before the application is submitted, was convicted of, pled guilty or no contest to, or was placed on probation without a finding of guilt for, or who when the application is submitted, has a charge pending for, or who has, within 3 years before the application was submitted, completed a sentence or period of probation based on a charge for:

(1) any offense involving violence or a weapon;

(2) any sex offense;

(3) soliciting for prostitution;

(4) illegal sale or use of alcoholic beverages;

(5) violation of any law governing controlled dangerous substances;

(6) violation of any gaming law;

(7) any offense involving driving under the influence; or

(8) any act of moral turpitude;

(b) who has a pattern of reasonably verifiable complaints of substandard

2120 customer service during the previous 24 months;

2121 (c) whose traffic record of "moving" offenses for the 3 years immediately
 2122 before the application was submitted, or while licensed to drive a
 2123 taxicab, demonstrates that the applicant is not a responsible, safe, or
 2124 careful driver. This record may include eyewitness testimony of unsafe
 2125 or dangerous driving;

2126 (d) who makes a false statement or gives a false answer to obtain, or who
 2127 obtains, an identification card by fraud, misrepresentation, misleading
 2128 statements, evasion, or suppression of material fact;

2129 (e) who is unable to safely operate a taxicab, or who may otherwise
 2130 endanger the public health, safety, or welfare, or who would be unable
 2131 to fulfill the duties of a driver as required by applicable regulation;

2132 (f) who has substantial delinquent debts to the County, State, or Federal
 2133 government; or

2134 (g) whose record of violations of this Chapter or other laws or regulations
 2135 of the County, State, or any other jurisdiction indicates to the Director
 2136 that to protect public safety an identification card should not be issued.

2137 If an identification card is denied or revoked, the applicant is not eligible to
 2138 reapply for 2 years, unless the Director for good cause otherwise orders.

2139 **53-310. Expiration of identification card.**

2140 The first identification card issued to a person under this Chapter expires one
 2141 year after it is issued. Any later identification card expires 2 years after it is issued.

2142 **Division 2. Duties of Drivers.**

2143 **53-311. Taxicabs from other jurisdictions.**

2144 (a) This Chapter does not prohibit a driver from bringing passengers into
 2145 the County if the trip originated in a jurisdiction where the driver and
 2146 the taxicab are authorized to operate.

(b) Except to the extent expressly permitted by federal or state law, a person who does not have a license and identification card issued by the County must not solicit business or pick up and transport passengers in the County unless a passenger engaged the taxicab to bring the passenger into the County, wait for the passenger, and then take the passenger to another location.

(c) The Director may enter into reciprocal agreements with other jurisdictions regarding the ability of taxicabs licensed elsewhere to pick up and carry passengers in the County.

(d) Any taxicab licensed in the County must only provide trips that either begin or end in the County, except a trip:

(1) dispatched under the operational procedure of the Metropolitan Airports Authority; or

(2) provided under a contract approved by the Director and on file with the Department.

(e) Any taxicab operating under a license issued under this Chapter must not obtain or operate under a license to provide taxicab service in any other jurisdiction.

53-312. Notice of change of address.

Each driver must notify the Department, in writing, not less than 2 business days after changing a business or residential address or required telephone number.

53-313. Duty to accept and convey passengers.

(a) Each driver of a taxicab must accept any passenger and convey any passenger where directed upon dispatch or request, unless:

(1) the taxicab is out of service;

(2) the driver is expressly committed to another passenger, or

(3) the driver is prohibited by this Chapter or another law or

2174 regulation from accepting the passenger.

2175 (b) A driver must not refuse to transport a passenger because of the
 2176 passenger's disability, race, color, marital status, religious creed, age,
 2177 sex, national origin, sexual orientation, or geographic location.

2178 (c) A driver may refuse to transport a passenger if the driver reasonably
 2179 believes the driver's life or safety is in danger.

2180 (d) Any driver who refuses to transport a passenger must:

2181 (1) immediately report the incident and circumstances to the
 2182 dispatcher, and

2183 (2) submit a written report to the Department on a form approved by
 2184 the Director not later than 2 business days after the incident.

2185 **53-314. Passenger receipts.**

2186 A driver must give each passenger a receipt showing the name of the fleet or
 2187 association, the taxicab number, the time and place of origin and destination of each
 2188 trip, and the amount of the fare, on a form authorized by the Department, unless the
 2189 passenger declines to receive the receipt.

2190 **53-315. Trip records.**

2191 (a) Each driver must keep an original written record, for a period of 6
 2192 months, of all in-service trips on a form approved by the Department.
 2193 Each in-service trip must be entered on the trip record at the point of
 2194 pickup.

2195 (b) The driver must submit trip records to the Department whenever the
 2196 Director requires.

2197 (c) Each trip record must include the date, the driver's starting and ending
 2198 time, and the taxicab's starting and ending mileage for the driver's work
 2199 day.

2200 (d) Each rest break the driver takes must be entered on the trip record.

2201 **53-316. Out of service notice.**

2202 When a taxicab is not operating, the driver must display a notice visible to the
2203 public that the taxicab is out of service. This notice must take a form approved by
2204 the Director.

2205 **53-317. Parking at taxicab stands.**

2206 (a) A driver must not park in a taxicab stand unless:

2207 (1) the taxicab is in service,

2208 (2) the driver is in or within 50 feet of the taxicab, and is awake, and

2209 (3) the driver is clearly visible from the taxicab and the area adjacent
2210 to it.

2211 (b) A person must not park any vehicle other than a taxicab at a taxicab
2212 stand.

2213 **53-318. Parking to solicit business.**

2214 A driver must not park in any publicly controlled parking space, whether
2215 restricted by parking meter or posted by official signs, to solicit business. However,
2216 a driver may park in a publicly controlled parking space, after paying any required
2217 fee, while waiting to receive a dispatch assignment.

2218 **53-319. Trips to be made by most direct route.**

2219 A passenger may request that a driver take a specific route to the passenger's
2220 destination. Otherwise, a driver must make all trips by the most direct route from the
2221 point of pickup to the point of destination. However, the driver may suggest, and the
2222 passenger may approve, a less direct route that may take less time under the
2223 circumstances.

2224 **53-320. Accident reports.**

2225 (a) Each driver must submit to the licensee not more than 24 hours after the
2226 accident a written report of any accident involving an in-service taxicab
2227 operated by the driver if any property was damaged or any person was

2228 injured.

2229 (b) The report must include the driver's name; driver's identification card
 2230 number; taxicab number; date, location, time, and description of the
 2231 accident; and whether a police report was filed.

2232 (c) The Police Department must forward any official police report of an
 2233 accident involving a taxicab licensed under this Chapter to the
 2234 Department when it is available to any party.

2235 **53-321. Use by other persons prohibited.**

2236 A person who holds an identification card under this Chapter must not permit
 2237 the card to be used by any other person.

2238 **53-322. Hours of operation.**

2239 A full time driver must not drive a taxicab more than 12 hours during any 24-
 2240 hour period. A part-time driver must not drive a taxicab more than 4 hours during
 2241 any 24-hour period in which the driver is otherwise employed for 8 or more hours.

2242 **53-323. Driver and passengers only permitted in vehicle; exception.**

2243 When a taxicab is in service, a person other than the driver and the passengers
 2244 must not be allowed in the taxicab, except:

2245 (a) a person participating in a driver training program operated by the
 2246 licensee; or

2247 (b) a passenger's personal care attendant.

2248 **53-324. Maximum number of passengers.**

2249 A driver must not carry more people in a taxicab than the number designated
 2250 on the license.

2251 **53-325. Group riding.**

2252 (a) A taxicab may be used to jointly serve passengers who have not
 2253 previously notified the driver or dispatcher of their intention to travel
 2254 together and whose trips either begin or end at different locations.

2255 (b) Each person sharing a taxicab must consent to share the ride with
 2256 others.

2257 (c) A driver must not solicit other passengers en route to the destination of
 2258 the passengers who already occupy the taxicab.

2259 (d) A person seeking taxicab service must not be refused service so that the
 2260 driver may try to arrange a more profitable grouping.

2261 **ARTICLE 4. GENERAL REGULATIONS AND RESTRICTIONS.**

2262 **53-401. Alcoholic beverages; controlled dangerous substances.**

2263 (a) A person may transport alcoholic beverages in a taxicab only if all
 2264 beverages are sealed.

2265 (b) A controlled dangerous substance must not be transported in a taxicab
 2266 unless the substance was properly prescribed to the person who
 2267 possesses it.

2268 **53-402. Smoking.** Smoking is prohibited in any taxicab at all times.

2269 **53-403. Duty of passenger to pay fare.**

2270 A person who uses a taxicab must pay any lawful charge due before leaving
 2271 the taxicab.

2272 **ARTICLE 5. ACCESSIBILITY.**

2273 **53-501. Standards.**

2274 (a) A person must not operate an accessible taxicab until the Department
 2275 approves the special equipment required by applicable regulations.

2276 (b) Each accessible taxicab must conform to the Americans with
 2277 Disabilities Act standards and all other applicable federal, state, and
 2278 County standards.

2279 **53-502. Interior numbering and lettering.**

2280 The licensee must post any interior taxicab vehicle identification required
 2281 under this Chapter in Braille.

53-503. Training.

Any licensee who transports passengers who use wheelchairs or scooters must train each driver on the special needs of persons with disabilities. The training program must be approved by the Department after consulting the Commission on People with Disabilities, the Department of Health and Human Services, and the Taxicab Services Advisory Committee. This training should be made available to any driver who is issued an identification card under this Chapter.

53-504. Duty to accept and transport persons with disabilities.

Without limiting the general duty to accept and convey passengers, the driver of an accessible taxicab must respond to a call for service from a person with a disability who uses a wheelchair or scooter and who is located in the same geographic zone before accepting any other call. Each licensee must dispatch an accessible taxicab to a person with a disability who uses a wheelchair or scooter before assigning the accessible taxicab to any other passenger.

53-505. Accessible taxicab trip records.

Each driver must keep a current written record of all accessible taxicab trips on a form approved by the Department. The driver must submit these trip records to the licensee. The licensee must submit quarterly trip records to Department listing the number of wheelchair and scooter users transported in each vehicle.

53-506. Number of accessible taxicab licenses.

- (a) The overall number of accessible taxicab licenses must not be less than 5% of the total of available County taxicab licenses.
- (b) The Department must set the number of new accessible taxicab licenses by regulation, based on past and current demand and after consulting the Taxicab Services Advisory Committee, the Commission on People with Disabilities, and the Department of Health and Human Services.
- (c) After considering the recommendations of the Taxicab Services

2309 Advisory Committee, the Department may establish, by regulation, a
 2310 method to allow temporary replacement of accessible vehicles with
 2311 sedans.

2312 (d) Each fleet and association must provide an adequate number of
 2313 accessible taxicabs to meet service demand 24 hours per day, 7 days a
 2314 week, as required by applicable regulation.

2315 **ARTICLE 6 ENFORCEMENT.**

2316 **53-601. Duty of licensees and drivers generally.**

2317 Each licensee, passenger, and driver must comply with this Chapter and all
 2318 applicable laws and regulations.

2319 **53-602. Obstruction and hindering of investigations; false statements.**

2320 (a) A person must not obstruct or hinder an official investigation being
 2321 conducted by any inspector, enforcement agent, or law enforcement
 2322 officer.

2323 (b) A person must not obtain or attempt to obtain, or prevent or attempt to
 2324 prevent the suspension or revocation of, a license or identification card
 2325 by fraud, misrepresentation, false or misleading statement, or omission
 2326 of any material fact.

2327 **53-603. Penalty for violations.**

2328 (a) Any violation of this Chapter or regulations adopted under it, or any
 2329 violation of an order of the Director, is a Class A violation.

2330 (b) The Executive, by regulation, may establish a schedule of fines for
 2331 violations of this Chapter, any regulations adopted under it, or any order
 2332 issued under it. Those fines may be lower than the maximum fine for a
 2333 Class A violation, and once adopted, may supersede the fine otherwise
 2334 imposed for a Class A violation for those provisions to which the
 2335 regulation applies.

2336 **53-604. Suspension or revocation of license or identification card.**

2337 (a) The Director may revoke or suspend any license or identification card,
 2338 as appropriate, if, after notice and opportunity for a hearing, the Director
 2339 finds that:

- 2340 (1) facts existing before or after the issuance of a license or
 2341 identification card would be cause under this Chapter for the
 2342 Director to refuse to issue or renew the license or card;
- 2343 (2) a licensee or driver violated this Chapter or regulations adopted
 2344 under it, or any other applicable federal, state, or County law;
- 2345 (3) a licensee or driver has been convicted of any crime of moral
 2346 turpitude, including a crime of violence, sex offense, or violation
 2347 of a controlled dangerous substance or gaming law;
- 2348 (4) a licensee or driver obtained or attempted to obtain a license or
 2349 identification card by fraud, misrepresentation, false or
 2350 misleading statement, or omission of material facts; or
- 2351 (5) a licensee or driver operated a taxicab, or allowed a taxicab to be
 2352 operated, in a manner that endangered the public health, safety, or
 2353 welfare, or with a record of substandard customer service as
 2354 defined by applicable regulation.

2355 (b) In addition to the reasons specified in subsection (a), the Director may
 2356 revoke or suspend a license or identification card if:

- 2357 (1) the Department received a consistent pattern of reasonably
 2358 verified complaints against the licensee or driver within any 12
 2359 month period, or the Department received a reasonably verified
 2360 complaint involving a threat to the public health, safety, or
 2361 welfare;
- 2362 (2) the licensee or driver was convicted of, pled no contest to, or was

placed on probation before judgment for operating a motor vehicle under the influence of or while intoxicated with alcohol or a controlled dangerous substance, or for reckless driving; or

(3) The licensee or driver was convicted of failure to stop after involvement in an accident or has a driving record which indicates an unsafe driving pattern or disregard for motor vehicle laws.

(c) A revocation or suspension under subsection (a)(3) must remain in effect, pending appeal, until the criminal action is concluded.

(d) This Section is in addition to any other provision of this Chapter that establishes cause to suspend or revoke a license or identification card.

(e) A person whose identification card has been revoked must not reapply for another identification card for at least 2 years.

(f) If the Director finds an immediate threat to the public safety or health, the Director, before holding a hearing, may immediately suspend, revoke, or deny the issuance or renewal of, a license or identification card.

53-605. Notices of violations and actions.

In addition to any other notice required by law:

(a) the Department must send a copy of any notice of violation issued to a driver to the licensee of any vehicle involved in the violation, unless the driver is also the licensee; and

(b) each fleet or association must notify each affiliate of any action taken or proposed action taken regarding any license held by that affiliate, or regarding the driver of any taxicab for which the affiliate holds the license, of which the fleet or association is aware, if the affiliate is not otherwise required to be notified of the action or proposed action.

ARTICLE 7. HEARINGS, APPEALS, AND JUDICIAL REVIEW.

53-701. Administrative appeal of certain denials.

- (a) A person may appeal to the Director from a decision of the Department refusing to issue or renew a driver identification card or license, including the opportunity to compete for a license under the lottery procedures of this Chapter because of a lack of qualifications.
- (b) An appeal must be filed in writing within 15 days after the Director sends the person a written decision. If the appellant requests a hearing, the Director must provide an opportunity for a hearing under Chapter 2A.
- (c) The decision of the Director under this Section is final administrative action for purposes of judicial review.

53-702. Hearing on suspension or revocation.

- (a) Upon determining that one or more grounds for suspension or revocation of a license or identification card exist, the Director must serve a written notice on the licensee or driver, as appropriate, in person or by U.S. mail, first class, postage prepaid, addressed to the licensee's or driver's last known address as maintained in the licensee's or driver's file.
- (b) Service on the licensee or driver by mail is effective 7 calendar days after mailing under this Section.
- (c) The written notice must:
- (1) notify the recipient that the Director has found that the license or identification card may be subject to suspension or revocation;
 - (2) specify the grounds for the Director's finding; and
 - (3) set a date for a hearing.
- (d) The Director must set a hearing date as required by Chapter 2A unless

2417 the licensee or driver and the Director agree to an earlier date, in which
2418 case other filing deadlines may be shortened to expedite a hearing
2419 without prejudicing either the appellant or the Department.

2420 (e) The hearing may be conducted by the Director or a hearing officer. At
2421 the hearing, the licensee or driver may present evidence and witnesses
2422 to refute the grounds cited by the Director to suspend or revoke the
2423 license or identification card, and the Department and any other person
2424 may submit relevant evidence. The administrative record compiled by
2425 the Department under this Chapter must be made part of the hearing
2426 record. After the close of the hearing, the person who conducted the
2427 hearing must render a decision in writing, giving the reasons for the
2428 decision. The action taken by the Director is the Department's final
2429 administrative action and is subject to judicial review.

2430 (f) Any person who requests a copy of the hearing transcript must pay the
2431 cost of preparing it.

2432 (g) A licensee or driver who does not appear at the hearing waives the right
2433 to a hearing and consents to the action that the Director proposed in the
2434 notice. The Director may then suspend or revoke the license or
2435 identification card as proposed in the notice.

2436 (h) A licensee or driver who does not appear at the hearing must pay the
2437 costs of the hearing unless that person notifies the Director that he or
2438 she will not appear at least 5 days before the scheduled hearing. Fees
2439 and costs for hearings may be established by regulation.

2440 (i) A suspension or revocation takes effect on the earlier of the day that the
2441 Director's written decision is delivered in person or 3 days after it is
2442 placed in the U.S. mail, first class, postage prepaid, addressed to the last
2443 known address of the licensee or driver. To facilitate enforcement of

2444 this provision, the Director may require the licensee or driver to appear
 2445 at the Director's office at a specific time to receive a copy of the
 2446 decision and surrender the license or identification card. The licensee or
 2447 driver must comply with the Director's order.

2448 **53-703. When effective; surrender of license.**

2449 (a) After receiving notice of a revocation or suspension, unless otherwise
 2450 directed, the licensee or driver must, within 24 hours:

2451 (1) place the license or identification card in the mail, first class,
 2452 postage prepaid, addressed to the Department; or

2453 (2) physically deliver the License or identification card to the
 2454 Department.

2455 (b) If the Department does not receive the license or identification card
 2456 within 48 hours after notification, excluding weekends or a legal
 2457 holiday, or as directed, the licensee or driver has violated this Chapter
 2458 and, in addition to any other penalty that may be imposed, the Director
 2459 or police may:

2460 (1) remove the revoked or suspended license or identification card
 2461 from the taxicab;

2462 (2) seize the taxicab and hold it until the license or identification card
 2463 is surrendered; or

2464 (3) demand the return of the license or identification card by the
 2465 appropriate person.

2466 **53-704. Judicial review - denial, revocation, or suspension.**

2467 (a) Any person aggrieved by the denial, suspension, or revocation of a
 2468 license or identification card may apply for judicial review under the
 2469 applicable Maryland Rules of Procedure.

2470 (b) If a transcript of any administrative proceeding has not been prepared,

2471 the appellant must pay the cost of preparing the transcript.

2472 (c) The Director's decision to deny a license or driver identification card
2473 must not be stayed pending judicial review. Final administrative action
2474 that revokes or suspends, or refuses to renew, a license or identification
2475 card may be stayed pending judicial review only if the court finds, after
2476 a full evidentiary hearing, that the public health, safety, or welfare will
2477 not be endangered during the period of judicial review.

2478 (d) A lottery or other license issuance procedure may proceed while judicial
2479 review of the denial of a license or the opportunity to compete for a
2480 license is pending. Judicial modification or reversal of a final
2481 administrative action to deny a license or the opportunity to compete for
2482 a license does not affect the validity of any other license that was
2483 properly issued under this Chapter. If the court finds that a license was
2484 improperly denied, the court may order the Director to issue the license,
2485 notwithstanding any numerical limit in this Chapter on the number of
2486 licenses that can be issued. However, a license must not be issued to the
2487 appellant until all rights to judicial review have been exhausted.

2488 (e) Any decision of the Circuit Court on an appeal under this Section may
2489 be appealed to the Court of Special Appeals.

LEGISLATIVE REQUEST REPORT

Bill ____ -

Taxicab Regulation

DESCRIPTION: This Bill revises Chapters 53 of the taxicab code

PROBLEM: Chapter 53 of the Code was last revised in October 1988. Since that time it has become evident that changes are needed to update the code, provide the ability to issue additional licenses, and establish guidelines to improve customer service.

GOALS AND

OBJECTIVES: Update the regulation of the taxicab industry, allow for the issuance of additional licenses, and improve customer service.

COORDINATION: Office of the County Attorney and Department of Public Works and Transportation.

FISCAL IMPACT: Office of Management and Budget.

ECONOMIC

IMPACT: Office of Management and Budget.

EVALUATION: Subject to the general oversight of the County Executive and the County Council. The Office of the County Attorney will evaluate for form and legality.

EXPERIENCE

ELSEWHERE: Unknown

SOURCES OF

INFORMATION: Eileen Basaman
Associate County Attorney
Office of the County Attorney

Nancy Kutz
Programs Manager
Division of Transit Services
Department of Public Works and Transportation

APPLICATION WITHIN

MUNICIPALITIES: Not applicable in Barnesville, Garrett Park, Kensington, Poolesville, Somerset, or Washington Grove

PENALTIES: As provided in Chapter 53, Montgomery County Code.



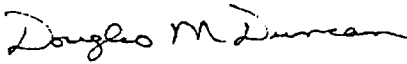
OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Douglas M. Duncan
County Executive

MEMORANDUM

January 29, 2004

TO: Steven A. Silverman, President, County Council

FROM: Douglas M. Duncan, County Executive 

SUBJECT: Taxicab Code Revision

Enclosed is a bill with my proposals to revise Chapter 53 of the Montgomery County Code - Taxicab Regulation. The revised code includes an emphasis on increasing competition, improving customer service and providing more flexibility by processing some of the requirements as executive regulations.

Customers should see an improvement in service soon after the code becomes effective because companies will have to begin compiling and preparing to submit certified data on customer service prior to the submission of the management plans. Competition will be addressed by the redistribution of existing licenses and offering both new and redistributed licenses to current and new companies providing good service.

A number of new initiatives for services to seniors and people with disabilities are included. These are: drivers and dispatchers must give priority to requests for accessible service; Braille information must be posted in every cab; a member representing seniors is added to Taxicab Services Advisory Committee; and services to seniors and people with disabilities, including participation in special programs, is included as part of the management plans.

The implementation of the code will require additional resources, including two additional full-time professional level staff to perform the tasks needed to implement the changes and manage the enforcement and service initiatives. Fees will be generated to cover the additional costs.

Enclosure





MONTGOMERY COUNTY, MARYLAND

News Release

eb/taxileg.pr

04-050

Contact: Esther Bowring, 240-777-6530

For Immediate Release: January 28, 2004

Duncan Sends Taxicab Reform Legislation to County Council; *New System Will Improve Customer Service and Increase Competition*

Montgomery County Executive Douglas M. Duncan today proposed a dramatic overhaul of the way the County regulates taxicabs, submitting legislation that will improve customer service by setting performance goals and standards for cab companies and drivers, as well as increase competition by making more taxicab licenses available.

"Montgomery County is committed to ensuring that companies and individuals who provide taxi service in the County are rewarded for good service and penalized for poor performance," said Duncan. "This legislation sets performance standards for taxi service and increases competition – and the clear winners will be Montgomery County consumers."

The proposed legislation sets on-time performance targets; requires companies to provide certified operating and complaint data; and requires taxicab fleets to obtain certificates of operation from the County-- certificates that could be withdrawn due to bad performance. Poor service can also result in revocation and denial of taxicab licenses. Taxi companies must submit management plans that detail how they will meet customer service performance measures and improve service. Any company with 50 or more cabs will be required to participate in programs that provide taxicab service for seniors, low-income residents or people with disabilities.

(more)

Taxis

2-2-2-2

“Action in Montgomery (AIM) is pleased to see the County Executive put into legislation the reforms fought for by many of our congregation leaders,” said Kathleen Morrison, AIM leader and Our Lady of Mercy Catholic Parish member. “We believe Mr. Duncan's bill will help ensure that our county's most vulnerable residents do not miss critical medical appointments.” AIM is an inter-faith, citizen-based, non-partisan, social justice organization whose purpose is to advance quality of life in Montgomery County and support it elsewhere in the region.

To increase taxicab competition, the County will issue new cab licenses once the new legislation and executive regulations are in place. To ensure economic viability for taxi drivers and prevent an oversupply of cabs, the legislation also sets a cap on total number of licenses the County will issue at one for every 1,000 residents. The County currently has 580 taxicabs, and the new legislation will allow as many as 900 licenses.

Under the legislation, performance goals will be set for providing service within specified time periods. For a pre-arranged pick-up, cabs should arrive within five minutes of the previously agreed-upon time, and for immediate calls for service, cabs should arrive within 20 minutes. Companies that do not meet these performance goals could lose licenses, whereas those with the best performance could be rewarded with the opportunity to acquire additional licenses as they become available.

A major change for the taxicab industry is a provision that will prohibit companies from transferring their licenses. The ownership of these ‘fleet’ licenses will revert to the County, which further improves the County’s ability to encourage and reward good performance. Individual cab owners with existing licenses will still be allowed to transfer them so that their substantial investment in licenses is not jeopardized. However, transfer of newly issued individual licenses will no longer be allowed.

(more)

Taxis

3-3-3-3

Another change under the new legislation will allow companies, for the first time, to share dispatch, maintenance or training services provided by a third party. This will help smaller companies compete more effectively.

The new legislation allows the County Executive to award special cab licenses to qualified applicants who may be willing to provide innovative taxicab service, such as providing service to special needs populations, underserved areas of the County, or during rush hours or other peak demand times.

The County is also creating a new Taxicab Customer Service Hotline that will allow customers to report problems with taxicabs. The information gathered through the hotline will also give the County another tool to assess company and individual performance.

The Taxicab Services Advisory Committee, a citizens and industry group that advises the County on taxicab issues, will now have a designated member representing seniors, in addition to the current representative for people with disabilities.

For more information, call Nancy Kutz, Division of Transit Services,
at 240-777-5800.

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Douglas M. Duncan
County Executive

OFFICE OF THE COUNTY ATTORNEY

Charles W. Thompson, Jr.
County Attorney

MEMORANDUM

TO: Mike Faden,
Senior Legislative Attorney

FROM: Nancy Appel,
Assistant County Attorney

DATE: November 12, 2004

RE: DPWT Comments on Committee Redraft, 11-10-2004

Line 1145 - TSAC Committee
Change Director of Consumer Affairs to "Chief".

Lines 1289 - 1294 Creation of Security Interest in Passenger Vehicle License

The current security language needs to be revised to accurately reflect the Department's position. We are offering the industry an accommodation by providing, for the first time ever, explicit statutory authority to collateralize PVLs. In providing this explicit statutory approval, however, we need to carefully consider the consequences – what happens when a lender forecloses on PVLs, how long could those PVLs be out of service, and what are the impacts to the public for customer service and availability of cabs. Because the parties have been unable to agree on specific language at this time, we suggest that the legislation expressly allow for collateralization of PVLs; however, the security interest in a PVL should not be created until specific regulations are adopted to govern the conditions under which a security interest may arise.

The following language should substitute for current language in the bill:

(f) (Revised)

"The Director may approve the creation of a security interest in a passenger vehicle license after the Director determines that the security interest complies with regulations consistent with this

Chapter and necessary to avoid disruption of taxi service. In addition to these regulations, the following conditions apply to creating a security interest in a passenger vehicle license: [Continue with line 1295 - Current (f)(1) and (f)(2)].

Lines 1649 - 1653 Mediation

We recommend separating this section into the three logical parts currently expressed in the bill: 1) who mediates and selection of the mediator (revised (f)(1)), 2) what is the scope of mediation (revised (f)(2)), and 3) what are the consequences if either party wants to take unilateral action to preserve specific rights prior to mediation (revised (f)(3)). We have deleted the term "arising from" because this particular term has specific legal consequences under the Federal Arbitration Act, and its analogous state version, and we did not know whether the Committee intended to incorporate this specific body of law; we have substituted the words "connected with."

Revised Mediation Section

(f)(1)

"Any contract or operating agreement between a licensee and any affiliate or driver must require both parties, at either party's request, to participate in good faith in an independent, third-party mediation or alternative dispute resolution process which may be administered by the Department or the Department's designee." Delete the remainder of this section, lines 1654-1658.

(f)(2)

"Disputes subject to the alternative dispute resolution process of Section f (1) include disputes connected with the operation of the contract or agreement or regarding the affiliate's or driver's compliance with any requirement of this Chapter or a customer service standard adopted under this Chapter. The implementing regulations may specify that certain classes of disputes are not subject to this process."

(f)(3)

"This subsection does not preclude either party, before participating in the required dispute resolution process, from taking any other lawful action to enforce the contract or operating agreement. The Department, or the Department's Designee, may stay the action taken by either party to enforce the contract or operating agreement when a stay is necessary to preserve the rights of any party."

Line 2050 - Requirement for driver identification card -

After (B), the "valid driver's license" add a new (C) and re-letter the remaining sections accordingly. The new section must require that the applicant present his or her DMV driving

Mike Faden
Re: DPWT Comments to Committee Redraft, 11-10-2004
November 12, 2004
Page 3

records for the past three years from any jurisdiction in which the applicant was licensed to drive. The new section (C) should read as follows:

(C) Department of Motor Vehicle driving records for the three calendar years prior to the date of application from all jurisdictions in which the applicant is currently, or previously, received a license to drive.

Renumber the remaining requirements accordingly.

Line 2077 - Physician Certificate -

Add temporary to the requirement for furnishing a physician's certificate. Revised section to read as:

"Before the Director issues a temporary or permanent identification card, the applicant must furnish a physician's certificate, issued within the previous 30 days, which certifies that:"
[Continue with remainder of the requirements currently listed in the bill].

SHULMAN ROGERS GANDAL PORDY & ECKER, P.A.

Lawrence A. Shulman
Donald R. Rogers
Karl L. Ecker*
David A. Pordy*
David D. Freishat
Martin P. Schaffer
Christopher C. Roberts
Jeffrey A. Shane
Edward M. Hanson, Jr.
David M. Kochanski
James M. Kefauver
Robert B. Canter
Daniel S. Krakower
Kevin P. Kennedy
Alan P. Sternstein
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Samuel M. Spiratos*

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Worthington H. Talcott, Jr.*
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Glenn W.D. Golding*
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Kristin E. Draper*
Heather L. Spurrice*
Melissa G. Bernstein
Patricia Teck
Robert L. Ritter*
Daniel H. Anixt
Jacob A. Ginsberg

Of Counsel
Larry N. Gandal
Leonard R. Goldstein
Richard P. Meyer*
William Robert King
Larry A. Gordon*
David E. Weisman
Lawrence Eisenberg
Deborah L. Moran
Mimi L. Magyar
Scott D. Field
Special Counsel
Philip R. Hochberg
Maryland and D.C.
except as noted:
* Virginia also * D.C. only
* Maryland only * Retired

Writer's Direct Dial Number:

(301) 230-5201
lshulman@srgpe.com

November 11, 2004

Mike Faden, Senior Legislative Attorney
Glenn Orlin, Deputy Council Staff Director
Montgomery County Council
100 Maryland Avenue
Rockville, MD 20895

Messrs. Faden and Orlin:

On behalf of the Coalition for a Competitive Taxicab Industry ("CCTI"), I am responding to your request for comment on revisions to Bill 14-04 as circulated yesterday.

CCTI has provided comment to you here and individually to each County Council member in writing on 7 specific items. They include both requested revisions to new language ('*Concerns First Raised in 11/9/04 Version of Bill 14-04*') as well as review of policy decisions previously made by the Transportation & Environment Committee ('*T&E Policy Decisions for Review*') in the course of their work sessions. We appreciate the Committee's rationale for the direction they have taken on the latter, however, we respectfully raise these items for full Council consideration to ensure all members are aware of their implications. A complete list of all items is attached for your review.

CCTI met with Council members Silverman and Praisner this past Monday and will meet with the remaining non T&E Council members this coming Monday to discuss our position on these items in person. I am hopeful you will include each item on the agenda for Tuesday's work Council work session and that this memorandum will be integrated in the work packet you plan to distribute tomorrow.

Though I am out of the office tomorrow, please communicate with Julia Lynch at (301) 717-3282 if you have any questions or require further information. We look forward to seeing you on Tuesday.

Sincerely,

SHULMAN, ROGERS, GANDAL,
PORDY & ECKER, P. A.

By Lawrence A. Shulman
Lawrence A. Shulman

CONCERNS FIRST RAISED IN 11/9/04 VERSION BILL 14-04:

[Lines 1218-1221] **Section 110 (b)(7): Customer Service Requirements**

[Lines 1746-1749] **Section 222 (b)(5): Customer Service Plan**

With the recent insertion of 'persons with special medical needs' to these requirements, CCTI is even more concerned now with the priority system concept this sub-section attempts to define. As stated by Mr. Leventhal on Monday, CCTI believes every trip request is a priority, particularly to the person requesting taxicab service, regardless of the destination or individual's needs. The subjectivity deployed here by the County will require manipulation of the call center process and dispatch system in order to service these trip requests as the Bill now proposes.

We understand the concern on behalf of the County Executive's office that these passengers in particular may have experienced more challenges obtaining taxicab service. An AIM representative stated during the November 8th work session that these medical facilities call with several companies simultaneously for the same trip request. This is an important factor. If this is indeed the practice, there is tremendous likelihood that multiple drivers will accept these trips and all but one will experience a "no show" upon arrival. It becomes very easy to understand why these facilities have difficulty getting drivers willing to respond to their service requests.

However, CCTI agrees that a service problem exists that does need to be and can be addressed in a number of ways other than including requirements for a priority system in the Bill. It was suggested during the Committee's last work session that sub-section 53-110 (b)(7) is already covered in sub-section 53-110 (a), which specifies that a customer service plan address recurring service problems. Further, CCTI believes that Bill 14-04's incorporation of response times will in and of itself address the service issues referenced by the County for these and other problematic trips. Pursuing taxi stands at these medical facilities for use by all licensed taxis would seem to be a more effective, practical means of providing easy, consistent access to taxicab service for this particular passenger niche.

Recommendation: Delete sub-section 53-110 (b)(7) "*any special procedures that the Executive concludes are necessary to assign appropriate priority to service requests from persons with special medical needs or non-emergency travel to and from medical facilities*" and delete sub-section 53-222 (b)(5) "*describe any special procedures the fleet or association will use to assign appropriate priority to service requests that involve persons with special medical needs or non-emergency trips to and from medical facilities*" in light of rationale given above.

[Lines 1661-1666] **Section 53-219 (f)(3): Responsibility of Licensees, Affiliates and Drivers**

CCTI believes that much progress has been made by all stakeholders to develop language in this section that considers the roles of licensees, affiliates and drivers in ensuring satisfactory customer service. We note that by giving a dispute resolution administrator the ability to stay a decision in sub-section (f)(3), Bill 14-04 has inadvertently given mediators injunctive power beyond the scope of their traditional authority. This type of extraordinary power should continue to be reserved for a court upon proof of irreparable harm.

Recommendation: Delete the second sentence in sub-section 53-219 (f)(3) which reads "*However, the dispute resolution administrator may stay the operation of any action taken by a party when a stay is necessary to preserve the rights of any party.*"

T&E COMMITTEE POLICY DECISIONS FOR REVIEW:

[Lines 1222-1229] Section 53-110 (b)(8): 20-minute time standard

CCTI maintains the position that a 20-minute response time standard for requests for immediate service is simply not reasonable and actually counterproductive to improving customer satisfaction.

It is well documented and has been acknowledged in meetings with Committee members and staff that customer satisfaction is dependent upon customer expectations. By codifying and promoting a 20-minute response time as a standard in the Bill itself, the public will expect this response time in every instance. Anything longer will be considered inadequate by passengers and even though this time is not actually required for every call, it will likely result in a complaint where a complaint is not otherwise justified.

Further, there is no concrete evidence that a 20-minute response time is what County residents expect or that this "national standard" repeatedly referenced by Mr. Schaller actually exists. Given the serious traffic congestion our County faces, a 20-minute response time standard will too often be unmet despite the best efforts of drivers and fleets. Safety also continues to be a priority concern for CCTI. We believe that this unrealistic response time standard will put pressure on drivers to meet an arbitrary deadline set in the law.

As suggested by Mr. Silverman in our meeting with him on November 8th, a better alternative to defining a specific response time in Bill 14-04 may be to allow response times to be dictated by regulation. CCTI endorses that approach and advocates this change will still indicate to passengers that fleets will be held accountable for timely service, yet it will enable the County and all stakeholders to explore and establish realistic goals. CCTI believes this move would also be supported by AIM. Their representatives have indicated they understand the challenges associated with this specific timeframe and have stated they simply want to know that a cab will be there and be informed when it will be there.

Recommendation: Revise sub-section 53-110 (b)(8) to read "*the percentage of calls for pre-arranged service and the percentage of calls for immediate service that should be picked up within response times established by the Executive by regulation.*"

[Line 1377] Section 53-206 (b)(2): Value of the License to the Applicant

CCTI believes this approach to setting fees strongly implies a two-tiered, if not multi-tiered, fee system that is patently unfair and ultimately anti-competitive. CCTI requests that this requirement be deleted as a criteria to determine initial license fees. All license fees should be uniform in nature and set by regulation after considering the remaining criteria established by the Bill in sub-sections 53-206 (b)(1) and 53-206 (b)(3).

Recommendation: Delete subsection 53-206 (b)(2) which reads "*the value of the license to the applicant.*"

[Lines 1925-1931] Section 53-232(b): Doors, lettering, color and special equipment

Now that Bill 14-04 requires each vehicle to have a card identifying the vehicle owner and contact information in sub-section 53-225(d), CCTI notes that passengers are far better served by this than they are to have this information displayed on the exterior of the vehicle itself, as required here. This provision will undoubtedly clutter the exterior appearance of the vehicle, it will confuse the public, and it is not informative enough to be of use to a passenger or a bystander.

Recommendation: Delete the second sentence in sub-section 53-232 (b) that reads "*If the named operator is not the owner, as defined in Section 53-101, the name and the telephone number of the operator must be similarly displayed.*"

[Lines 1988-1997] **Section 53-236(d): Inspections**

As discussed with the Committee and staff, Bill 14-04 now requires mechanical inspections every 180 days to the date once a vehicle is in service. The proposed change is in conflict with MVA registration practice and the County's own PVL renewal cycle, which are both based on the use of an end-of-month deadline rather than specific dates. The use of a specific date greatly heightens and complicates a fleet's need to micro-manage inspection schedules. Most alarming, if an inspection date is missed, Bill 14-04 authorizes the Director to suspend licenses without hearing or notice. CCTI believes all vehicles should be safe and endorses mechanical inspections, but feels that this proposal is unnecessary and presents unintended consequences unrelated to customer service.

Recommendation: Revise sub-section 53-236 (d) to read "...every six months by the end of the sixth month..." rather than "...every 180 days..."

[Lines 2047-2057] **Section 53-306 (c)(2): Application; temporary card**

Council staff and the Committee have been sympathetic to the issues surrounding driver recruitment and driver licensing and seem to support CCTI's position that both the Department and the industry have a vested interest in establishing an efficient, effective process to accomplish both objectives.

Throughout this legislative initiative, CCTI has repeatedly advocated the critical importance of the drivers to the taxicab industry. Our joint ability to create an environment which supports their entry and success will be critical to the service improvements we all hope to see result from this effort. CCTI believes that this section touches directly on the heart of that matter.

There is one process issue still present in this section that will significantly hinder driver recruitment if left alone. Sub-section 53-306 (c)(2)(D) now requires a driver applicant to pass the driver examination prior to receiving a temporary ID. According to the Department, the current failure rate for a driver with up to 90-days actual 'behind-the-wheel' taxicab experience taking this test is nearly 50%. We believe this is an indicator of more significant underlying issues. We also believe the Department would concur that if this provision is implemented it is highly unlikely a new applicant would be able to pass this test without any prior taxicab experience, therefore the failure rate would increase dramatically and there will be fewer new drivers in the County.

Given the current driver shortage and turnover the County faces, CCTI believes driver training and testing need to be thoroughly reviewed before this change can take place. Section 53-219 proposes temporary IDs be eliminated on the basis of expedited background checks by March 1, 2006 and we suggest the entire driver licensing process be approached for review and enhanced simultaneously. We request that sub-section 53-306 (c)(2)(D) be incorporated in sub-section 53-306 (c)(3) as part of the changes to be completed by March 1, 2006. We hope to work with the Department during this time to not only find a quicker way to conduct background checks, but to better identify what a driver needs to know, enhance driver training to provide those tools, review the test and develop a study guide.

Recommendation: Delete sub-section 53-306 (c)(2)(D). Revise sub-section 53-306 (c)(3) to read "...for any reason mentioned in Section 53-309(a) and unless the applicant passes the examination required under Section 53-308."

November 8, 2004

TO: MIKE FADEN, ESQ.
DR. GLEN ORLIN

FR: CABDRIVERS ALLIED FOR BETTER SERVICE (CABS)

RE: NOVEMBER 5, 2004 REDRAFT OF BILL 14-04

The November 5, 2004 redraft of Bill 14-04 contains many improvements from previous versions and the Committee and staff are to be congratulated. If history is a guide, however, it is unlikely that the Council will have the opportunity to address this matter in such an equally comprehensive manner for some time. Given the Bill's reliance on further regulation, therefore, it is especially important that enough structure and guidance is provided within the Bill to adequately inform that process. We urge the Committee and the Council to continue their work and amend a number of provisions to ensure that real competition benefiting customer service is allowed to flourish.

- We appreciate the inclusion of the provisions allowing licenses to be used as a security interest. We believe that this will add value to the industry and serve as an important step toward increased competition. We are concerned that unnecessary requirements such as mandating that an individual license applicant maintain an identification card (53-209 (b)) may inhibit lenders such as banks from making loans available to drivers. Banks generally prefer property interests that are freely alienable. While this cannot be entirely the case here, because banks and other lenders are not eligible to obtain an identification card we are concerned that this provision may not have the opportunity to get off the ground. We request that 53-209 (b) be deleted from the final measure.
- We also applaud the "public convenience" standard tied to the issuance and reissuance of new licenses. We believe that 350 taxicabs working at capacity could provide the County with improved, if not superior, service rather than the current 580 (a detailed analysis of this question has previously been submitted). While prefer that no new licenses be issued we believe that this new standard will provide some safeguards against fears of flooding the passenger vehicle license market.
- We appreciate the prohibition on anti-competitive "covenants not to compete" contained in industry contracts. We believe this provision is an important step in the right direction. It will remove one of the many barriers to competition created by current industry contracts of adhesion.
- We applaud the inclusion of the mediation and alternative dispute resolution provisions contained in 53-219(f). This provision holds the hope that drivers and owners will be treated with the dignity and respect they deserve. To ensure that the potential of this provision is fully realized we strongly urge the Committee to

make these services available under the auspices of the County government. Drivers and many owner-drivers cannot afford to hire an attorney. To make this provision work it must be made timely and affordable.

Below are a number of additional suggestions:

CABS maintains that Bill 14-04 should be amended to increase competition and improve customer service in the following ways:

- Individual taxicab drivers and owners should be afforded the same opportunities as fleets to obtain taxicab licenses. There should not be a cap on the number of individual licenses transferred, issued or renewed. Increasing the number of licenses held by individuals will increase competition for fares, not rents, and will benefit the taxi riding public. The caps on licenses contained in sections 53-204 and 53-205 should be removed.
- Article 41 of the Maryland Constitution admonishes that “monopolies are odious, contrary to the spirit of a free government and the principles of commerce, and ought not be suffered” should be adhered too more faithfully.
- Bill 14-04 should be amended to facilitate and fund the formation of a new taxicab company owned and operated by taxicab passenger vehicle license owners and drivers. The Committee should consider setting aside seed money from the appropriation under consideration. While the cost of initiating a new company is unknown, an appropriation of approximately \$125,000 would begin the process.
- 53-219: We are concerned that items (b) and (c) in this provision institutionalize the disparity in power between fleets, drivers and non-driver owners. Because some non-driver owners also rent out their vehicles, they will be made responsible for the actions of their drivers that they have no power to control. While we understand the need to be able to enforce the Code, it is not appropriate for the fleets to be placed in a position of authority over these non-driver owners that is duplicative of the County’s authority. The County should maintain its responsibility to enforce against affiliates rather than the fleets. We suggest that language be added to make this distinction more clear.
- 53-313 (a)(2). While we appreciate the efforts shown here we are not clear whether this provision is meant to address the issue of “forfeits.” With out describing in detail this issue, we believe the language could be made more clear and look forward to working with the Committee to address this important issue.
- 53-225 Insurance limits must be the same. Because Barwood is self-insured 75 percent of the vehicles in the County are not required to comply with the regulations issued by the Executive on insurance coverage limits. In other words, the exception has swallowed the rule. Limits start the negotiation process in settlements. We believe not having any requirements on self-insured companies

does not serve the public interest and artificially inflates the expenses of affiliates. We suggest that the Committee either require all entities to have the same insurance limits or lower the limits on those not self-insured.

- 53-101: The definition of "taxi service", line 1109, does not include dispatch or "personals" but does discuss "street hails." We do not understand why these particular methods of obtaining taxicab service are delineated while the others are not. We suggest that "2" be deleted under this definition.
- 53-306(b)(2)(C) and 53-306(3) should be made more clear. CABS maintains that all drivers should be required to undergo and pass a criminal background check prior to being issued an identification card. We also believe that to prevent against abuses, a mechanism should be developed to ensure that drivers have acquired the necessary citizenship status. Finally, we do not understand why these reforms will take until 2006 to fully implement.
- 53-103(c). We continue to believe that non-driver owners should be afforded a place on TSAC.
- 53-231(a) Vehicle number. It should be noted that affiliates do not assign number to their vehicles. This function is currently provided by the fleets. As a result, we fear that this provision sets up a responsibility that affiliates cannot comply with. In addition, we believe that Section 53-231 (e) that requires affiliates to mark the taxicab with their name, telephone number, and business address, rather than the fleet, will be confusing to the public. We believe that the information contained on the taxicab should be uniform and provide the dispatch information provided by fleets.

Taxi Compliants involving medical transportation in the last year 11-03 to 11-04:

December 12, 2003: Barwood failed to pick up elderly nurse working part time for Montgomery County **providing health care service at the Sandy Spring Rec Center.**

December 16, 2003: Woman complained that Barwood failed to pick her up at a **Silver Spring Medical Supply Store.**

December 23, 2003: Barwood failed to pick up a Damascus resident who in turned missed his MRI at **Montgomery General Hospital** that was needed before he could start Chemo treatments for cancer. Due to no cab service...MRI and Chemo treatment delayed two weeks.

January 8, 2004: Barwood fails to pick up elderly woman and husband at **Bethesda medical building.**

January 30, 2004: Barwood was called repeatedly by **NIH** Police to pick man on sub freezing night at Metro Kiss and Ride area at hospital. No cab ever arrived over two hours. Police supervisor filed complaint.

February 6, 2004: Barwood fails to pick up **Silver Spring** resident to take her to **doctor's appointment.**

March 9, 2004: Barwood driver attempts to take long route from **Montgomery General** to Burtonsville. Passenger complaints...driver dumps her back at hospital and she is never picked up.

March 16, 2004: Barwood driver refuses to pick up elderly Chevy Chase couple to take them to **medical appointment at 5480 Wisconsin.** Eldery couple was walking toward cab, when driver sped away. Neighbor, a senior edition at the Washington Post took them to their doctor appointments.

April 2, 2004: Action cab 50 minutes late in picking up patient at a **Gaithersburg medical building.**

April 13, 2004 Barwood fails to provide cab to pick up elderly woman for **doctor's appointment in Wheaton.**

April 28, 2004 Barwood fails to provide service to elderly woman at **Navy Med Hospital.**

May 14, 2004: Staff at **Suburban Hospital** complains that Barwood cab never arrived to pick up a patient.

May 18, 2004 Barwood cab fails to pick up Rockville woman for a trip to HMO **medical building.**

May 21, 2004 Barwood cab 1 ½ hours late in picking up **Olney** man for a doctor's appointment. Man missed appointment and was charged \$40 additional fee.

June 17, 2004 One Barwood driver files complaint on another driver for failure to transport handicapped person from cabstand in **Bethesda** to **National Rehabilitation Hospital in Rockville**.

June 28, 2004 Barwood drivers gets into argument with passenger picked up at Navy Med Hospital and then returns her to Navy Med.

June 29, 2004 Barwood fails to provide cab for **Rockville** woman going to a **medical appointment**.

July 1, 2004 Barwood driver refuses to take woman from **Bethesda** cabstand to medical building because it was a short trip.

July 21, 2004 Barwood two hours late in picking up disabled woman at **Rockville medical building**.

July 28, 2004 Blind elderly **Chevy Chase** woman complains the Barwood is very late in picking her up for a **medical appointment** in Chevy Chase.

July 29, 2004 Woman complains of being overcharged by a Barwood cabdriver taking her home from **Holy Cross Hospital**.

August 13, 2004 **Rockville** woman complains that her wheelchair bound husband had to wait 4 hours to be picked up by Barwood from a **Medical Building** on a pre-arranged trip.

August 30, 2004 A Potomac woman complained that Barwood failed to pick her up at a **Bethesda Medical Building** despite several calls.

September 7, 2004: Barwood fails to pickup woman and her terminally ill husband in a wheelchair at **Shady Grove Adventist Hospital**. Couple waited four hours before having a neighbor with a large vehicle pick them up.

September 8, 2004 Barwood fails to provide **Silver Spring** woman taxi service to the Kasiser Permanent Medical Building in Kensington.

September 13, 2004 **Rockville** woman complains that Barwood was late in picking her up for medical appointment and then failed to provide service for her to get home from **medical building**.

September 24, 2004 **Silver Spring** woman complains that Barwood failed to show up and she missed a **medical appointment**.

September 27, 2004 Barwood fails to provide **Bethesda** woman a cab and she missed her medical appointment at **NIH**.

October 4, 2004 Regency Cab failed to provide a cab for a **Germantown** woman who had a medical **appointment**.

October 15, 2004 **Burtonsville** man complains that Barwood failed to provide service forcing him to miss a medical appointment.


October 28, 2004 **Bethesda** woman reported Barwood failed to provide service to take her to her doctor's office for an appointment.

October 31, 2004: Elderly Rockville woman rides to **Suburban Hospital** with her husband in ambulance. Husband is admitted. At 1:30am woman calls Barwood for a taxi. Hospital staff calls back three times. At 3am woman bums ride from stranger leaving hospital.

Taxi Medical Complaints 11-03 to 11-04

MEMORANDUM

TO: County Council

FROM:  Michael Faden, Senior Legislative Attorney
Glenn Orlin, Deputy Council Staff Director

SUBJECT: **Worksession/Action:** Bill 14-04, Taxicabs – Amendments

Transportation and Environment Committee members individually discussed with Council staff the amendments proposed by CCTI (see ©64-66 of main packet) and recommend two amendments to Bill 14-04 as printed in the main packet:

- Amend §53-232(b) on ©33-34, lines 1929-1931 by deleting : If the named operator is not the owner, as defined in Section 53-101, the name and telephone number of the owner must be similarly displayed.
- Amend §53-236(d) on ©36, line 1990, by deleting 180 days and inserting in its place 6 months.